



Mkhondo Local Municipality

2012-2013 Annual Report

Compiled and Submitted by

Mr. AN MAHLANGU

Municipal Manager

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ACRONYMS AND ABBREVIATIONS

MFMA	- Municipal Finance Management Act
MM	- Municipal Manager
SEDA	- Enterprise Development Agency
DEDET	- Department of Economic Development Environment and Tourism
CRDP	- Comprehensive Rural Development Programme
MSIG	- Municipal System Improvement Grant
DoRA	- Division of Revenue Act
MIG	- Municipal Infrastructure Grant
FMG	- Finance Management Grant
PMU	- Project Management Unit
IDP	- Integrated Development Plan
SCM	- Supply Chain Management
CFO	- Chief Financial Officer
GM	- General Manager
PMS	- Performance Management System
MMC	- Members of Mayoral Committee
SDBIP	- Service Delivery and Budget Implementation Plan
RDP	- Reconstruction and Development Program
HR	- Human Resources
DBSA	- Development Bank of South Africa
CPIX	- Consumer Price Index
SALGA	- South African Local Government Association
COGTA	- Co-Operative Governance and Traditional Affairs
GRAP	- General Recognized Accounting Practice

EXECUTIVE MAYOR'S FOREWORD



Armed with the key performance beacons contained in the IDP and Budget of 2012/13, Mkhondo Municipality continues its path that is meant to address the needs of the community by creating an enabling environment for employment opportunities, alleviation of poverty, improvement of health conditions, upgrading of infrastructure and advancement of comprehensive rural development. A year has gone pass and we are pleased to reflect back on remarkable substantial impact our Municipality has made. This also presents an opportunity for us to conduct self-introspection of our challenges that still abound us and subsequently chart measures on how they can be overcome.

We have in the past year broadened our infrastructure development programmes by constructing new roads, distributing water and electricity, constructing new houses and sewer network and improved in rendering of refuse removal services, to name but a few. We acknowledge that this has happened within the limited budget for maintenance and refurbishment of existing infrastructure.

Surrounded by the magnificent timber, Mkhondo remains an ideal place to pursue maximum investment on timber processing that can broaden the revenue base of the Municipality. We pledge to improve and enhance service delivery in all key development priority areas. Working together with communities, spheres of government, private sector, civil society structures and other stakeholders we have achieved much, but there is still more to be done. Together we strive to make Mkhondo a unique living experience, aiming towards a better quality of life based on a safer and healthier environment with an improved socio-economic conditions.

We remain focusing on our efforts in ensuring that, through our appropriate monitoring systems in place, the performance plan of our administration, SDBIPs as well as infrastructure development is heightened. We are committed to increase our productivity at the working place and stay in control of both political and administrative mandate. The overarching key priority areas for the 2014 are wall-to-wall provision of drinking water, improvement of sanitation, access to refuse removal and job creation. It is our hope that the Municipality will move from strength to strength and become the theatre of planning and the master of coordination and implementation.

CLR BHEKABANTU H. MTSHALI

EXECUTIVE MAYOR

MUNICIPAL MANAGER'S OVERVIEW



The harmonious relationship and the spirit of togetherness that always exists between Mkhondo Municipal Council and its administration played much role in ensuring the municipality delivers on its mandate again in the 2012/13 financial year. This has boosted the general outlook of the municipality thereby increasing the confidence of both its partners and the entire community. It can now be said without fear or doubt that the Mkhondo municipality is becoming better organized both institutionally and in terms of delivering its mandate. The municipality is leaving up to its vision of being a tranquil and modern municipality of excellence. This was only a second year of the term of the current council but it can be marked by the lot of improvements from the first year. This is evident in the political stability within council which translates into administrative focus of administration.

The year started with a big bang in service delivery with the full complements of section 56 managers. Most Senior Managers were also filled. The resignation of the General Manager: Technical Services in January 2013 was serious dent in service delivery. The vacancies in other critical positions were also prioritized and filled. However, by and large, the administration succeeded to remain focused and deliver on its 2012/13 mandate. The last section of the report deals with Performance and Service Delivery issues. The problems of performance management together with other matters resulted in the municipality getting a disclaimer.

Although the municipality had challenges in implementing the Performance Management system to its fullest, all the section 56 employees however signed their Performance Management Contracts. The position of Senior Manager: Performance Contract however remained vacant throughout the year. The municipality experienced some service delivery riots which were later which resulted in the burning and distraction of some properties.

The administrative focus was mainly assisted by the political direction and political will displayed by the council in providing direction to the municipality. All the relevant structures of council were functional throughout the year as indicated in this report. Council also took all the effort to ensure that they also fulfill their public participation mandate. Both the IDP and Budget that were implemented in this reporting period were intensively consulted on. Councillors and administration also consulted on the 2013/14 IDP and Budget during this financial year. In addition community meetings were held to communicate municipal progress in service delivery.

A.N MAHLANGU

MUNICIPAL MANAGER

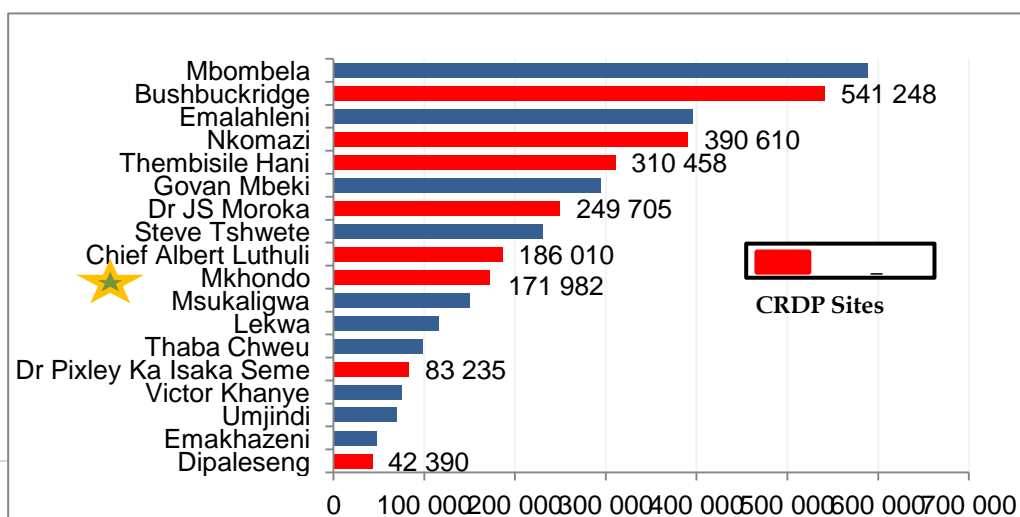
MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

DEMOGRAPHIC INDICATORS	Stats SA Census 2001	Stats SA Census 2011	Share of GertSibande's figure 2011	Share of Mpumalanga figure 2011
Population number	143 077	171 982	16.5%	4.3%
Number of households	27 888	37 433	13.7%	3.5%
Area size (km ²)		4 883	15.3%	6.4%
Population per km ²		35		

Source: StatSA- 2011

- 171 982 people (StatsSA – 2011 Census) were recorded in this area – 16.5% share of GertSibande's population.
- Population grew by 20.2% between 2001 & 2011 while annualised population growth rate was measured at 1.8%.
- Population in Community Survey in 2007 was under-estimated at 106 459.
- 52.2% females and 47.8% males.
- 94.7% Africans, Whites 3.7%, Coloureds 0.5%, Asians 0.8% and Others 0.2%.
- Children and youth up to 34 years – 72.9% of Mkhondo's population.
- Number of households 37 433 (4.5 people per household) – 13.7% of GertSibande's households.
- Female headed households 45.3% and child headed (0-17 years) households, 1.1 % in 2011.
- People with disabilities in 2001 Census, 5.6% of the population - in 2011 Census, people 5+ with a lot of difficulty/cannot do at all - seeing (2.1%), hearing (1.1%), communication (1.1%), walking (1.6%), remembering (2.1%), self-care (3.1%) – 11.1% of the population.

Population by Local Municipal Area, 2011



INDUSTRY	MUNICIPALITY		
	Mkhondo	Chief Albert Luthuli	Msukaligwa
Agriculture	21.7%	12.3%	14.7%
Mining	21.7%	12.3%	14.7%
Manufacturing	3.0%		10.4%
Utilities	1.1%	2.8%	0.6%
Construction	1.4%	0.4%	8.6%
Trade	4.2%	4.8%	6.7%
Transport	7.4%	6.9%	18.6%
Finance	8.0%	7.0%	28.4%
Community services	9.3%	4.7%	24.7%
Total	5.2%	6.2%	21.3%

CHAPTER 2: GOOD GOVERNANCE

COMPONENT A: PUBLIC PARTICIPATION

Introduction

Section 152 of the Constitution of the Republic of South Africa spells out clearly that one of the aims of local government is to provide democratic and accountable government for local communities. A defining feature of the Municipality has been the space it offered and continues to offer to its communities to become actively involved in governance issues of the Municipality. All nineteen (19) Ward Committees have since been established and inducted. The majority of Ward Committees are fully functional. Training has also been conducted to all members of the Ward Committees and Councillors and Community Development Workers (CDWs). The Municipality also facilitated the development of Ward Operational Plans and provided capacity building and out-of-pocket expense to all 19 Ward Committees.

In terms of The Municipal Systems Act, community participation was embedded in the entire IDP and Budget process. The Ward Committees played a pivotal role to encourage residents to participate in the preparation, adoption, implementation and review of IDP and budget. They also participated in the decisions about the provision of municipal services. Public communication involved the Municipality giving information to other stakeholders and as a result, public consultation during the year under review

involved other stakeholders providing information to the Council at the level of the CRDP Council of Stakeholders and Mayoral Izimbizo. During the year under review, the Municipality conducted four (04) IDP & Budget related activities such as the Mayoral Izimbizo/Road Shows, one (01) visit by the National Council of Provinces (NCOP) and one (01) Gert Sibande District Municipality (GSDM) were conducted and presented an opportunity to members of the community and stakeholders to raise issues of service delivery. While acknowledging that public participation is an integral part of local democracy and participatory local governance, the Municipality noted with regret that some of the Ward Committee members were lost either through death or resignation. The following table reflects on the public participation meetings held in respective Wards during the financial year under review:

WARD	DATE OF MEETING	AREA	NO. OF ATTENDEES
1	--	--	--
2	--	--	--
3	--	--	--
4	--	--	--
5	13/07/2012 24/08/2013	KwaThandeka Winnie Mandela Park	87 111
6	24/07/2012 04/08/2012	Ezakheni KwaMavumbuka	30 41
7	--	--	--
8	22/04/2012 22/04/2012 19/08/2012 20/10/2012 23/10/2012 24/10/2012	Emakhungutsha Malandeni Mission Sports Ground Maphepheni Malayinini Malaynini	27 52 39 52 66 53
9	--	--	--
10	10/07/2012 31/07/2012 12/01/2013	Beer Hall Kempville Hall Mosquoe Ground	79 126 67
11	09/03/2012 20/05/2012 02/08/2012	Old Age Home Eziphunzini Hall Eziphunzini Hall	48 174 71
12	29/05/2012 12/06/2012 10/06/2013	SthuliHleza SthuliHleza SthuliHleza	88 42 55
13	--	--	--
14	12/02/2012 12/02/2012 22/04/2012 19/08/2012 30/09/2012 20/01/2013 21/03/2013 23/03/2013	Harmony Park Mangosuthu Sports Ground Mangosuthu Sports Ground Mangosuthu Sports Ground Inhlaba Project Centre Mangosuthu Sports Ground Harmony Park Mangosuthu Sports Ground	130 287 132 165 53 209 98 99
15	10/06/2012 23/07/2012 22/01/2013 26/01/2013 16/02/2013 23/03/2013	Witterau Nederland Thidoda Witterau Khalambazo Nederland	47 26 35 76 70 56
16	05/08/2012	Phosa Hall	110
17	11/03/2012 13/03/2012 15/09/2012 30/09/2012 14/10/2012	Phoswa Hall Ezinkonjaneni Phoswa Hall Phola Park Ezinkonjaneni	170 77 77 66 78

	28/10/2012	Madabukela	56
	25/11/2012	Madanca	47
	15/02/2013	Phoswa Hall	220
	21/03/2013	Hhongwane	49
	24/03/2013	Annyspruit	62
18	31/10/2012	Advice Centre	112
19	--	--	--

COMPONENT B: IDP PARTICIPATION AND ALIGNMENT

Introduction

The IDP is central to a Municipality's ability to deliver on its political and administrative mandate. It is recognised as a business plan for the Municipality and determines projects that the Municipality may or may not undertake. Thus the IDP formulation process is required to be a transparent and inclusive one. The Municipality was optimistic that the content of the IDP of the year under review has been representative of the needs and aspirations of all interest groups in the respective wards.

An IDP Representative Forum is one of the vehicles utilised to promote inclusivity and transparency during the IDP process. By virtue of being the site that was officially declared to rollout the Comprehensive Rural Development Programme (CRDP), the Municipality also used the CRDP Stakeholders Forum to enhance all relevant stakeholders in the formulation of its IDP and Budget. This forum was inclusive of all stakeholders in the ward and served as a platform for stakeholders to advance and defend the inclusion of their interests in the IDP.

Apart from the community meetings convened, IDP & Budget related leaflets were produced for Councillors to use when consulting with their respective communities. The review of the Municipality's five year Integrated Development Plan was guided by the process plan that included procedures for public participations and inputs from performance management systems (Section 41:MSA 32/2000). It contained the strategic focus areas of the Municipality and was aligned with the National, Provincial and GertSibande District Municipality's objectives and strategies. Sector Plans were also incorporated into the IDP for consideration.

The graph below represents the levels of functionality of IDP participation and alignment in the Municipality:

IDP Participation and Alignment Criteria*	Yes/No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	No
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the Section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes
* Section 26 Municipal Systems Act 2000	

COMPONENT C: CORPORATE GOVERNANCE

Strategic and Operational Risk Management

Introduction

Mkhondo Local Municipality collaborated with the GertSibande District Municipality to engage Grant Thornton to carry out a strategic and operational risk assessment of the Municipality as part of the District Municipality's turnaround strategy in assisting local municipalities. The objective of the risk assessment was to arrive at the overall strategic and operational risk profile of the Municipality by identifying and measuring the business risks that might prevent MLM from meeting its objectives. The need to conduct a risk assessment in Mkhondo Local Municipality was motivated principally by the Section 62(1)(c)(i) of the Municipal Finance Management Act, which requires that the Accounting Officer for a Municipality to take all reasonable steps to ensure that the Municipality has and maintains an effective, efficient and transparent system of financial and risk management and internal control.

Approach to updating the current risk profile

The approach to risk identification was to facilitate a workshop with senior management to identify significant and emerging risks including the identification of mitigating controls and possible action plans. Consequently, it is necessary to understand that our responsibility, in this initiative is limited to the facilitation of the risk assessment process, whilst the ownership of the process rests with management.

The workshop approach was to:

- Identify any pervasive risks;
- Link each department's top risks with overall municipalities strategic risks;
- Update the current risk register and identify additional risks that may prevent the newly identified strategic objectives from being achieved (this would include removing risks from the current risk register that may no longer be relevant);
- Measure each identified risk, both at an inherent and residual level to determine the level of exposure when assessing the achievability of the organisation's objectives;
- Determine the risk response for each identified risk;
- Identify the actual root cause of all risks identified in the current risk register;
- Identify control activities that may prevent the risk from materialising;
- Assess the adequacy of the identified control activity in mitigating the identified risk;
- Identify possible action plans for identified risks that are currently not being adequately mitigated.

Results

The results of the workshop which are detailed in Section II of this report revealed the following:

- Five strategic risks were identified;
- In identifying the five strategic risks, management identified a number of causes which would possibly cause the risk to materialise;
- Management identified a number of mitigating controls for the causes identified. Based on the residual risk ratings of each risk, management are in agreement that the current mitigating controls are operating as intended.

Going Forward

The Risk and Audit Committee and management should review the current risk profile to:

- Ensure the relevance of the identified risks, causes and controls
- Determine whether the residual risk rating of each risk is at an acceptable residual value. Mitigation strategies should be developed for all risks with an unacceptable residual value (i.e. accept, avoid, control, transfer)
- Identify the risk owner for all risks (who should be responsible for the risk including mitigation thereof)
- Identify any underlying risks at operational level that might impact the strategic risks (i.e. two or three operational risks materialising over a period of time could have a significant impact on a strategic risk)
- Identify possible key risk indicators for each strategic and/ or operational risks (i.e. outbreak of animal disease and ultimately the risk “*loss of high health status*”).

Conclusion

The Risk and Audit Committee and management should periodically review the risk profile to ensure the relevance of the identified risks and controls, and to identify any emerging risks. The residual risk ratings should be updated as action plans are implemented and as the controls are embedded in the entities operations. The residual risk ratings should also be revised should a risk materialise.

Section II – Risk Profile

The overall risk profile for MLM is tabled in terms of highest inherent risk exposure. The impact rating of each risk is multiplied by the likelihood to arrive at the risk exposure both at the inherent and residual level. Included in Appendix A is the risk measurement criterion.

The level of risk exposure per risk is shown in the following risk profile legend.

Risk profile legend

Exposure rating	Overall assessment	Possible action required
Low : From 1 - 5	Acceptable	Management should determine assurance provider on identified controls and request validation and optimisation of controls
Medium: From 6 - 12	Acceptable with caution	Management should review risk and determine risk appetite (i.e., is this level of exposure acceptable to the entity if they do not implement corrective actions, if acceptable management should determine assurance provider on identified controls and request validation of controls)
High: From 12.5 - 25	Unacceptable	Management should implement corrective actions immediately

For the purpose of the risk profile reflected on the following pages we have abbreviated the following terms:

Abbreviation	Description
II	Inherent impact
IL	Inherent likelihood
IR	Inherent risk
RI	Residual impact
RL	Residual likelihood
RR	Residual risk

Risk executive dashboard

The risk executive dashboard highlights the strategic risks identified by senior management that may prevent the municipality from achieving its objectives. The inherent risks (IR) identified depict the risk profile without taking current controls into account. The residual risks (RR) identified are the exposure to risk remaining after taking the current controls into account. The current controls were identified during the risk assessments performed with the various senior managers at a strategic level therefore the Risk and Audit Committee and management should review the risk profile to ensure the relevance of the identified residual risks and controls, to achieve the objectives of the department at a strategic level. Management should monitor the mitigating controls on a continuous basis and ensure that the action plans are implemented.

Risk executive dashboard

Risk category	Risk title	Inherent rating			Residual rating		
		II	IL	IR	RI	RL	RR
Strategic	Inability to provide adequate service delivery infrastructure	5.00	5.00	25.00	5.00	5.00	25.00
Strategic	Inability to deliver effective, affordable and accessible community services to all.	5.00	5.00	25.00	5.00	5.00	25.00
Strategic	Inability of the municipality to continue as a going concern.	5.00	5.00	25.00	5.00	5.00	25.00
Strategic	Inability to ensure sound corporate governance	5.00	5.00	25.00	3.00	4.00	12.00
Strategic	Inability to ensure proper planning and development of the municipality and the community	3.00	4.00	12.00	3.00	4.00	12.00

Risk No	Risk Identified	Cause factor	IL	II	IR	Mitigating Controls	RL	RI	RR	Risk Owner
Top 10 MLM risks										
1	Inability to provide Basic Service delivery.	Budgets constraints/Cash Flow Poor planning (SCM) Lack of skills Insufficient MIG funding Ineffective management systems Lack of proper communication channels Ineffective training Outdated IT systems Lack of support on inter-governmental relations (External stakeholders, i.e. COGTA, Provincial Treasury, SALGA) Buy in from communities (Service delivery protests) Aging infrastructure Absence of PMS Ineffective revenue enhancement strategy Political unrest (Service	5	5	25	Budget process Skills development plan Management meetings Financial committees Revenue enhancement strategy MSIG Grant in place Ad hoc meetings with external stakeholders Regular Reporting on spending of MIG funding Ward meetings. Budgets IDP SDBIP Communications through ward committee meetings Land invasion policy in place.	5	5	25	Municipal Manager

		Delivery, damage to municipal property that must be re-build) Budget constraints Lack of resources (Tools of trade) Land invasions (resistance to formalise informal settlements).								
2	Ineffective ICT Service Poor Internal and external communications	<ul style="list-style-type: none">Financial constraintsNo proper IT structure (helpdesk)IT strategy not in placeSystems not properly aligned with end user needs/requirementsSatellite offices off-linePoor contract (SLA) managementPoor planningIneffective websiteLack of resources	4	5	20	<ul style="list-style-type: none">Active directory developedExchange Website developed for accessing emails outside the municipalityDraft IT policyBudgetService Level agreement in placeWebsite	4	5	20	CFO GM: Corporate services
3	Inability of the municipality to continue as a going concern.	Growing debts Continuous use of	5	5	25	Debt collection policy in place	5	5	25	CFO

		reserves of the municipality (investments) Recouping of equitable share by National treasury Eskom and other high bills from service providers (DWA, Road and traffic and salaries Poor collection of rates and taxes (resistance by community to pay rates and taxes) High volumes of water and electricity losses Un-mandated expenses (not properly budgeted for) Lack of revenue enhancement strategies Lack of proper cash flow forecast Inability to spend MIG funds Ineffective SCM (lack of co-operations from departments)				Debt collection company Funded budget Proper planning and appointment of Service providers in time SCM framework in place Indigent policy in place Bulk meters to be implemented				
4	Ineffective SCM services and Ineffective expenditure	<ul style="list-style-type: none"> Cooperation with other departments Poor planning by 	5	5	25	<ul style="list-style-type: none"> SCM policy in place Bid committees in place and reviewed 	5	5	25	CFO

	management.	departments on procurement <ul style="list-style-type: none"> • Ineffective bid committee (delays in procurement/lack of commitment) • Departments do not work through supply chain in procuring goods and services • Lack of resources in fleet management • Lack of training and access to SCM policies by all staff within the municipality • Lack of internal controls • Lack of legal guidance on contract management • Access to Munsoft information by managers 				quarterly <ul style="list-style-type: none"> • Comply with all regulations (declaration of interests form signed by members) 				
5	Ineffective budget management	<ul style="list-style-type: none"> • Poor planning and monitoring from 	5	5	25	<ul style="list-style-type: none"> • Approved budget by 	5	5	25	CFO

		departments <ul style="list-style-type: none"> Budget relies to some extent on reserves Un-mandated expenditure Quality of information on compliance reporting No dedicated unit for AFS IDP not linked to budget 				Council <ul style="list-style-type: none"> Budget policies approved by Council Staffed budget unit 				
6	Inability to fund initiatives that propel growth of the Local Economy.	Limited financial resources. Lack of LED strategy	4	5	20	Advert published, inviting service providers for the development of the LED strategy.	4	4	16	GM: Planning and Development
7	Inability to ensure proper planning and development of the municipality and the community	Department of planning and development not yet functional Reviewed Organisational structure not yet approved by Council Lack of LED strategy	5	5	25	Established planning and development department (currently planning falls within corporate services dept) Spatial Development Framework.	4	4	16	GM: Planning and Development
8	Lack of contract		4	5	20	Contracts kept in different	3	5	15	Municipal

	management framework.					department (decentralised).				Manager
9	Ineffective asset management	<ul style="list-style-type: none"> • Ageing infrastructure • Lack of maintenance plan • No register of leased assets • Lack of internal controls (movement of assets without updating register, driving without permission) • Theft of assets • Non implementation of fleet management policy • Lack of proper resources to manage • Theft of fuel 	5	5	25	<ul style="list-style-type: none"> • Updated Asset register in place (updated monthly) • Fleet management policy • Asset management policy • Trip authorities • Regular assets recons • Central location of petrol and diesel at stores 	5	5	25	GM: Planning and Development GM: Planning and Development
10	Ineffective Recruitment and selection processes	<ul style="list-style-type: none"> • Lack of resources • Lack of approved process plan • Misunderstanding of the roles and responsibilities at Short listing and interview panels. • Long turnaround 	4	5	20	<ul style="list-style-type: none"> • Recruitment and selection policy • Monthly reporting to Mayoral Committee 	3	5	15	GM: Corporate Services

		time appointments on								
11	Inefficient and ineffective administration within Records management	<ul style="list-style-type: none"> System not utilised effectively Lack of resources No approved Archiving Policy 	5	5	25	<ul style="list-style-type: none"> Approved File plan ORBIT system 	5	5	25	GM: Corporate Services
12	<p>The Strategic mandate not met due to lack of business continuity.</p> <p>Inability to execute service delivery which will result in community dissatisfaction and political unrest.</p> <p>Disinvestment and disintegration of urban areas.</p> <p>Risk to the sustainability of the Municipality given the reduction of revenue</p>	<p>No performance agreements signed by MM and Council, and between MM and the Section 57 managers.</p> <p>Non-execution of PMS system and framework.</p> <p>No KPIs identified, no targets set and no follow up nor inspections.</p> <p>Non-alignment of KPIs with SDBIP.</p> <p>No prioritisation of projects.</p> <p>No employee contracts.</p>	5	5	25	<p>Consultants appointed to implement PMS system.</p> <p>In the process of appointing a PMS official which will be empowered through the help of the consultants in implementing PMS.</p> <p>Performance Management Framework has been developed, to be approved by Council.</p> <p>Performance Appraisals to be implemented at the end of the 1st quarter for Sect 57 Managers and Performance agreements to be compiled.</p>	2	1	2	Municipal Manager and Council

		No signed job descriptions linked to strategic objectives.								
--	--	--	--	--	--	--	--	--	--	--

Overall Risk Profile – Top 10 Risks

Strategic Risks of the Municipality

Strategic goals/objectives of the Municipality are:

- To provide adequate, sustainable service delivery infrastructure.
- To provide effective, affordable and accessible community services to all.
- To provide effective, transparent and accountable financial management services within the Municipality.
- To ensure sound corporate governance.
- To ensure proper planning and development of the municipality.

Risk No	Risk Identified	Cause factor	IL	II	IR	Mitigating Controls	RL	RI	RR	Risk Owner
Strategic Risks										
1	Inability to provide adequate service delivery infrastructure	<ul style="list-style-type: none"> Budgets constraints/Cash Flow Poor planning (SCM) Lack of skills Insufficient MIG funding Ineffective management systems Lack of proper communication channels Ineffective training Outdated IT systems Lack of support on inter-governmental relations (External stakeholders, i.e. COGTA, Provincial Treasury, SALGA) Buy in from communities 	5	5	25	<ul style="list-style-type: none"> Budget process Skills development plan Management meetings Financial committees Revenue enhancement strategy MSIG Grant in place Ad hoc meetings with external stakeholders Regular Reporting on spending of MIG funding Ward meetings, 	5	5	25	Municipal Manager

Risk No	Risk Identified	Cause factor	IL	II	IR	Mitigating Controls	RL	RI	RR	Risk Owner
		(Service delivery protests) <ul style="list-style-type: none"> • Aging infrastructure • Absence of PMS • Ineffective revenue enhancement strategy 								
2	Inability to deliver effective, affordable and accessible community services to all.	Political unrest (Service Delivery, damage to municipal property that must be re-build) Budget constraints Lack of resources (Tools of trade) Land invasions (resistance to formalise informal settlements)	5	5	25	Budgets IDP SDBIP Communications through ward committee meetings Land invasion policy in place	5	5	25	
3	Inability of the municipality to continue as a going concern.	Growing debts Continuous use of reserves of the municipality (investments) Recouping of equitable share by National treasury Eskom and other high bills from service	5	5	25	Debt collection policy in place Debt collection company Funded budget Proper planning and appointment of Service providers in time SCM framework in place Indigent policy in place Bulk meters to be	5	5	25	

Risk No	Risk Identified	Cause factor	IL	II	IR	Mitigating Controls	RL	RI	RR	Risk Owner
		providers (DWA, Road and traffic and salaries Poor collection of rates and taxes (resistance by community to pay rates and taxes) High volumes of water and electricity losses Un-mandated expenses (not properly budgeted for) Lack of revenue enhancement strategies Lack of proper cash flow forecast Inability to spend MIG funds Ineffective SCM (lack of co-operations from departments)				implemented				
4	Inability to ensure sound corporate governance	Lack of risk management and committee Lack of IT governance structures Lack of Internal audit resources	5	5	25	Audit committee in place IT and budget steering committees MANCO and EXCO in place MPAC in place	3	4	12	

Risk No	Risk Identified	Cause factor	IL	II	IR	Mitigating Controls	RL	RI	RR	Risk Owner
		Ineffective MPAC Ineffective section 79 committees Council not made aware of internal audit recommendations Non compliance with legislation Absence of REMCO								
5	Inability to ensure proper planning and development of the municipality and the community	Department of planning and development not yet functional Reviewed Organisational structure not yet approved by Council Lack of LED strategy	5	5	25	Established planning and development department (currently planning falls within corporate services dept) Spatial Development Framework.	4	4	16	
6	Inability to fund initiatives that propel growth of the Local Economy.	Limited financial resources. Lack of LED strategy	4	5	20	Advert published, inviting service providers for the development of the LED strategy.	4	4	16	

OPERATIONAL RISKS: Municipal Manager

Sections within Municipal Manager

1. Performance Management
2. Internal Audit
3. Legal Services

Operational Objectives:

- Translates and implement the strategic mandate of the municipality into operational models;
- Establish mechanisms to review the performance of the municipality both at the strategic and operational level;
- Shape the Municipal strategy by setting mechanisms to measure performance;
- Measure compliance with the IDP and SDBIP;
- Reduce the deliverables of each General Manager through a performance agreement which is aligned to the SDBIP and reviewed annually;
- Quarterly and Annual assessment of Performance for General Managers against the SDBIP score cards;
- Effectively implement the PMS framework, which is the quality assurance system;
- Ensure that critical and essential service delivery targets within the following dimensions are achieved:
 1. Community and customer services
 2. Internal business processes and the effectiveness of internal administrative processes.
 3. Financial dimension where the focus is on revenue generating sources, cost saving and risk evasion.
 4. Developmental perspective, looking at internal staff skills development and externally which relates to socio-economic initiative which would enhance the sustainability and the role of the Municipality as a domain which would attract investment and job creation opportunities, as well as enhance all towns within the Municipalities to attract tourism and generate income for the Municipality.
- Provide a portfolio of evidence which is required for auditing purposes; and
- Provides a rational for performance bonuses and rewards for star performers.

Risk No	Risk Identified	Cause factor	IL	II	IR	Mitigating Controls	RL	RI	RR	Risk Owner
Performance Management										
1	<p>The Strategic mandate not met due to lack of business continuity.</p> <p>Inability to execute service delivery which will result in community dissatisfaction and political unrest.</p> <p>Disinvestment and disintegration of urban areas.</p> <p>Risk to the sustainability of the Municipality given the reduction of revenue</p>	<p>No performance agreements signed by MM and Council, and between MM and the Section 57 managers.</p> <p>Non-execution of PMS system and framework.</p> <p>No KPIs identified, no targets set and no follow up nor inspections.</p> <p>Non-alignment of KPIs with SDBIP.</p> <p>No prioritisation of projects.</p> <p>No employee contracts.</p> <p>No signed job descriptions linked to strategic objectives.</p>	5	5	25	<p>Consultants appointed to implement PMS system.</p> <p>In the process of appointing a PMS official which will be empowered through the help of the consultants in implementing PMS.</p> <p>Performance Management Framework has been developed, to be approved by Council.</p> <p>Performance Appraisals to be implemented at the end of the 1st quarter for Sect 57 Managers and Performance agreements to be compiled.</p>	2	1	2	Municipal Manager and Council
2	Breach of the MSA and related statutes and regulations which	Non-implementation of previous performance management	5	5	25	Developed and implemented a new	2	4	8	Municipal Manger

Risk No	Risk Identified	Cause factor	IL	II	IR	Mitigating Controls	RL	RI	RR	Risk Owner
	govern Performance management and Sect 57 managers.	framework in 2011.				PMF.				
3	Skills gap. Poor performance and inability to deliver services. Non-execution of required obligations. Breach of MSA and MFMA.	Poor recruitment processes and skill shortages within Piet Retief. Poor salary levels which make it difficult to attract highly skilled people.	4	4	16	Developing a Corporate Services score card and reviewing the recruitment processes. Workplace skills plan to be reviewed to focus on essential and required skills training.	4	4	16	Municipal Manger
4	Non-compliance with the relevant statutes. Non-SMART targets and objectives were set.	No PMS system. Institution was under administration.	5	5	25	New PMS System and SMART objectives determine.	3	3	9	Municipal Manger
Legal Services										
5	Lack of contract management framework.	Management oversight.	4	5	20	Contracts kept in different department (decentralised).	3	5	15	Municipal Manager
9	Insufficient budget to fully resource the law library with current law reports and court decisions.	Financial restriction.	3	4	12	Law reports and court decisions with latest updates.	3	3	9	Municipal Manager
10	Lack of human capital in the legal division resulting to the division not achieving their	Senior Manager: Legal Services transferred to IDP, LED, Tourism and CRDP.	4	5	20	Proposed organogram.	3	5	15	Municipal Manager

Risk No	Risk Identified	Cause factor	IL	II	IR	Mitigating Controls	RL	RI	RR	Risk Owner
	objectives.					Budget for the Legal Admin Officer.				

Operational Risks: TECHNICAL SERVICES

Units

- Roads and storm water
- Project Management Unit (PMU)
- Water and Sanitation
- Electrical

Operational Objectives:

- Maintenance of roads and stormwater drainage to ensure accessibility access.
- Facilitate the implementation of infrastructure projects.
- Continuous provision of clean portable water and sanitation services that comply with environmental regulation.
- Maintenance of electrical infrastructure to ensure continuous and reliable supply of electricity.

Risk No	Risk Identified	Cause factor	IL	II	IR	Mitigating Controls	RL	RI	RR	Risk Owner
Technical Services										
1	Safety risk to road users due to non-maintenance of roads and storm-water	<ul style="list-style-type: none"> Inadequate budget Unreliable working equipments Ageing work force(no succession planning) Poor fleet management Poor supply chain management services Lack of access to Munsoft system 	5	5	25	<ul style="list-style-type: none"> Budget(Approved operations and maintenance budget) Approved EPWP budget Available Assistance by GSDM 	4	5	20	SM: Roads, Storm-water and Cemeteries
2	Poor turnaround time on capital projects	<ul style="list-style-type: none"> Ineffective supply chain management system Poor workmanship Inefficient contract and project management Lack of control system in place 	3	5	15	<ul style="list-style-type: none"> Adequate Municipal infrastructure Grant(MIG) Training of projects managers Mass approach to register backlog 	3	4	12	GM: Technical Services
3	Health and environmental risk to community(water and sanitation)	<ul style="list-style-type: none"> Inadequate budget to upgrade infrastructure Inadequate Storage capacity for water Deteriorating raw water quality due contamination by mines Lack of sufficient ground water due to climate change and forestry Non compliance of the sewer treatment plant 	5	5	25	<ul style="list-style-type: none"> Approved budget Continuous monitoring of water quality Refurbishment and Expansion of waste water treatment plant Implementation of legislative requirements on blue and green drop Continuous training of process controllers and 	5	5	25	SM: Water & Waste Water Management

Risk No	Risk Identified	Cause factor	IL	II	IR	Mitigating Controls	RL	RI	RR	Risk Owner
		<ul style="list-style-type: none"> Poor reputation due low ranking of blue and green drop High rate of water losses due to ageing infrastructure 				<ul style="list-style-type: none"> maintenance team Approved SITA available funding to augment skill capacity within the division 				
4	Ineffective electrical supply.	<ul style="list-style-type: none"> Highest lightning striking area High loss of electricity Lack of resident Engineer to validate compliance. Ageing infrastructure Unknown position of underground cable Inadequate operation and maintenance budget Substations have reached optimum capacity Fraud and corruption Poor turnaround time by SCM processes Lack of maintenance vehicle Cable theft 	3	5	15	<ul style="list-style-type: none"> Department of mineral and energy allocated funding for the rural electrification Approved budget Effective monitoring of system Mobilisation of funding from Public private partnership approach Lighting protection system 	3	4	12	SM: Electrical Services

Operational Risks: Planning and Development

Sections within Planning and Development

4. Spatial Planning,
5. IDP and
6. Building Control
7. LED, Tourism and CRDP
8. Human Settlement and
9. Property Maintenance

Operational Objectives:

1. Spatial Planning:
 - Formalisation of informal settlements
 - Township establishments
 - Receiving and processing of Land Use Applications
 - Monitoring of illegal land uses
 - Pointing out of boundary pegs
 - Attending to public inquiries

2. IDP:

- Development of IDP Documents
- Development of the IDP process plan
- Establishment of the IDP Forum

3. Building Control:

- Consideration of building plan applications
- Monitoring of illegal buildings
- Carry out building inspections

4. LED, Tourism and CRDP

- Establishment of the LED Forum
- Support cooperatives and SMMEs
- Implementation of the LED Strategy (Job creation)
- Entrepreneurial Development
- Promotion of tourism
- Marketing of Heritage Sites
- Co-ordinate the CRDP Forum
- Ensure the implementation of the CRDP Strategy

5. Human Settlement

- Identification of beneficiaries
- Facilitation of application process
- Facilitate handing over of complete houses to beneficiaries
- Demand data collection (National Housing Database)
- Carrying out of building site quality inspections and quality assurance
- Participate in technical site meetings
- Identification of suitable sites for construction
- Removal of tree stumps and other obstacles
- Pointing out sites to constructors

6. Property Maintenance

- Development of a Property Maintenance Plan
- Receiving of structural maintenance complaints
- Facilitate maintenance of municipal buildings
- Prepare and maintain a Municipal Property Register
- Site verification for proof of ownership

Risk No	Risk Identified	Cause factor	IL	II	IR	Mitigating Controls	RL	RI	RR	Risk Owner
Spatial Planning										
1	Land invasion during formalisation. Resistance to formalisation.	<ul style="list-style-type: none"> Lack of Land Invasion preventative measures. Insufficient sites to sell to the community Smaller stand sizes resulting from formalisation. 	5	5	25	<ul style="list-style-type: none"> None 	5	5	25	Senior Manager: Spatial Planning
2	Delay by Environmental Impact Assessment Processes (EIA).	<ul style="list-style-type: none"> External department processes. 	5	5	25	<ul style="list-style-type: none"> Externally controlled. 	5	5	25	Senior Manager: Spatial Planning
3	Insufficient guidelines for Development Control. Turnaround processing time. Failure to proclaim approved applications. Submission of applications not done by professional town planners.	<ul style="list-style-type: none"> Outdated Town Planning Scheme. Shortage of human resource. Lack of human and financial resources. Lack of enforcement of the Town and Regional Planners Act, 1984. 	3	5	15	<ul style="list-style-type: none"> A service provider has been appointed to update the Town Planning Scheme. A process plan has been developed. A record of approved applications is retained. None. 	3	3	9	Senior Manager: Spatial Planning
4	Uncontrolled growth of urban areas.	<ul style="list-style-type: none"> Lack of human resource and tools of trade (fleet etc). 	5	5	25	<ul style="list-style-type: none"> Approved organogram. Sectional vehicle 	4	4	16	Senior Manager: Spatial Planning

Risk No	Risk Identified	Cause factor	IL	II	IR	Mitigating Controls	RL	RI	RR	Risk Owner
	Loss of potential income for the Municipality.					<ul style="list-style-type: none"> allocated. Fixed Travelling allowance allocated to Senior Officials for official work within Municipal boundaries. 				
5	Conflicts amongst neighbours.	Non-compliance to set cadastral boundaries.	3	3	9	<p>A Town Planning unit is in place to attend to community complaints.</p> <p>Team of land surveyors from DARDLA available on request.</p>	1	1	1	Senior Manager: Spatial Planning
6	Unrealistic expectations from community members.	<ul style="list-style-type: none"> Inappropriate information communicated to the public. 	4	5	20	<ul style="list-style-type: none"> Councillor induction was conducted. 	4	5	20	Senior Manager: Spatial Planning
IDP										
7	Inaccurate presentation of IDP information.	<ul style="list-style-type: none"> Failure to submit information in time by internal and external stakeholders. Shortage of human 	5	5	25	<ul style="list-style-type: none"> Council review and approval of the IDP. Approved Organogram. 	3	3	9	Senior Manager: Spatial Planning, IDP and Building Control

Risk No	Risk Identified	Cause factor	IL	II	IR	Mitigating Controls	RL	RI	RR	Risk Owner
		resource.								
8	Full participation by stakeholders. Time frames not adhered to by stakeholders.	<ul style="list-style-type: none"> Failure to adhere to the adopted IDP plan. 	5	5	25	<ul style="list-style-type: none"> CRDP and IDP Forums merged to improve turnaround time. IDP Public Participation (needs analysis). 	5	3	15	Senior Manager: Spatial Planning, IDP and Building Control
9	Ineffectiveness of 3582 the IDP Forum.	<ul style="list-style-type: none"> Failure to attend meetings by stakeholders. 	4	4	16	<ul style="list-style-type: none"> CRDP and IDP Forums merged to improve turnaround time. 	2	2	4	Senior Manager: Spatial Planning, IDP and Building Control
Building Control										
10	Set timeframes for processing of applications not adhered to. Vague comments from internal departments.	<ul style="list-style-type: none"> Staff shortage. Lack of capacity. 	5	5	25	<ul style="list-style-type: none"> Approved budgeted and for organogram in place. None. 	5	5	25	Senior Manager: Spatial Planning, IDP and Building Control
11	Growth of structures within building restricted areas. Uncontrolled erection of illegal structures.	<ul style="list-style-type: none"> Lack of human resource and tools of trade (fleet etc). 	5	5	25	<ul style="list-style-type: none"> Approved organogram. Sectional vehicle allocated. Fixed Travelling 	4	4	16	Senior Manager: Spatial Planning, IDP and Building Control

Risk No	Risk Identified	Cause factor	IL	II	IR	Mitigating Controls	RL	RI	RR	Risk Owner
	Loss of potential income for the Municipality.					allowance allocated to Senior Officials for official work within Municipal boundaries.				
12	Deviation from the approved building plan and specifications.	<ul style="list-style-type: none"> Failure by builders to apply for building inspection. 	5	5	25	<ul style="list-style-type: none"> Building inspection application form developed to be used by builders. Regular building inspections are conducted to spot any illegal buildings. 	3	3	9	Senior Manager: Spatial Planning, IDP and Building Control
LED, Tourism and CRDP										
13	Ineffectiveness of the LED Forum.	<ul style="list-style-type: none"> Non-availability of the LED Strategy. 	5	5	25	<ul style="list-style-type: none"> None. 	5	5	25	Senior Manager: IDP/LED, Tourism, CRDP.
14	Ineffective support to cooperatives and SMMEs. Inability to achieve departmental performance targets.	<ul style="list-style-type: none"> Non-availability of cooperatives and SMMEs database. Shortage of staff. 	4	4	16	<ul style="list-style-type: none"> None. 	5	5	25	Senior Manager: IDP/LED, Tourism, CRDP.
15	High rate of unemployment within Mkhondo Municipality.	<ul style="list-style-type: none"> Unavailability of LED Strategy. 	5	5	25	<ul style="list-style-type: none"> Advertised for the development of 	3	3	9	Senior Manager: IDP/LED, Tourism,

Risk No	Risk Identified	Cause factor	IL	II	IR	Mitigating Controls	RL	RI	RR	Risk Owner
	Inability to alleviate poverty.	<ul style="list-style-type: none"> Budget Constraints. 				the LED Strategy.				CRDP.
16	Loss of potential economic growth.	<ul style="list-style-type: none"> Lack of Tourism strategy. Budget Constraints. 	5	5	25	<ul style="list-style-type: none"> Promotion of Municipal tourist attraction advertised in GSDM and MTPA. 	4	4	16	Senior Manager: IDP/LED, Tourism, CRDP.
17	Loss of potential economic growth.	<ul style="list-style-type: none"> Budget Constraints. Staff shortage. 	5	5	25	<ul style="list-style-type: none"> Tourist Information office is available to provide information on Heritage Sites. Safety tourism monitors are allocated to assist tourists. 	4	4	16	Senior Manager: IDP/LED, Tourism, CRDP.
18	Ineffectiveness of the CRDP Forum.	<ul style="list-style-type: none"> None implementation of the CRDP projects. 	4	4	16	<ul style="list-style-type: none"> CRDP and IDP Forums merged to improve turnaround time. 	3	3	9	Senior Manager: IDP/LED, Tourism, CRDP.
19	High unemployment rate. Government targets not achieved.	<ul style="list-style-type: none"> Failure to effectively implement CRDP Strategy. 	4	4	16	<ul style="list-style-type: none"> Monthly CRDP Forum meetings to provide progress reports on the implementation of the strategy. 	3	3	9	Senior Manager: IDP/LED, Tourism, CRDP.

Risk No	Risk Identified	Cause factor	IL	II	IR	Mitigating Controls	RL	RI	RR	Risk Owner
Human Settlement										
20	Identification of incorrect beneficiaries.	<ul style="list-style-type: none"> Lack of proper coordination between Municipality and the Provincial Department of Human Settlement. Shortage of staff. 	5	5	25	<ul style="list-style-type: none"> Project Inception Meetings are held with: <ul style="list-style-type: none"> CDWs Ward Councillors Ward Committees. Resolution to make individual household visits to identify possible beneficiaries. 	2	2	4	Senior Human Settlement & Property Maintenance Officer
21	Declining deserving applicants. Delay in capturing application forms into the HS system. Political involvement in administration. Improper records management.	<ul style="list-style-type: none"> Incorrect information declared by applicants. Incorrect information captured by provincial officials on the system. Lack of a proper filling system. Failure to exercise diligence in the handling of application forms. Inability to access the HS System and view the progress of applications. 	5	5	25	<ul style="list-style-type: none"> Approved Checklist used to ensure the accuracy of application forms. Consumer education facilitated by all spheres of Government to the community members. 	3	3	9	Senior Human Settlement & Property Maintenance Officer

Risk No	Risk Identified	Cause factor	IL	II	IR	Mitigating Controls	RL	RI	RR	Risk Owner
22	Political involvement in administration. Handing over of completed houses to incorrect occupants.	<ul style="list-style-type: none"> Corrupt and fraudulent behaviour. Provincial official disregard the role of Municipal officials in handing over of completed houses. 	5	5	25	<ul style="list-style-type: none"> Approved beneficiary list is utilised to hand over completed houses. Signing of "Happy Letters" is done jointly by the Department, Municipality and other stakeholders, by occupants. 	2	2	4	Senior Human Settlement & Property Maintenance Officer
23	Unawareness of backlog and expected deliverables. Inability to plan ahead. Inaccurate information reported on the IDP.	<ul style="list-style-type: none"> Data not collected due to shortage of staff. 	5	5	25	<ul style="list-style-type: none"> None. 	5	5	25	Senior Human Settlement & Property Maintenance Officer
24	Influx of complaints by beneficiaries on poor workmanship.	<ul style="list-style-type: none"> Lack of contractor site supervision (Labour Management). Lack of skilled local workers. Lack of contractors' technical documentation (technical drawings) 	5	5	25	<ul style="list-style-type: none"> Participate in the inspection team. Contribute during technical site meetings. Form part of the Project Steering committees. 	4	4	16	Senior Human Settlement & Property Maintenance Officer

Risk No	Risk Identified	Cause factor	IL	II	IR	Mitigating Controls	RL	RI	RR	Risk Owner
		interpretation skills.								
25	Non-compliance to building standards set by Government. Corruption and non-ethical procurement processes.	<ul style="list-style-type: none"> Quality compliance supporting documentation not submitted to Project Managers. Unethical cost saving measures. 	5	5	25	<ul style="list-style-type: none"> Participation in bi-monthly site meetings. 	4	4	16	Senior Human Settlement & Property Maintenance Officer
26	High miscommunication level amongst the project team.	<ul style="list-style-type: none"> Shortage of staff. 	4	4	16	<ul style="list-style-type: none"> None. 	4	4	16	Senior Human Settlement & Property Maintenance Officer
27	Unsuitable construction sites identified.	<ul style="list-style-type: none"> Shortage of highly skilled staff to carry out the site identification. Unsuitable geotechnical conditions. 	5	5	25	<ul style="list-style-type: none"> Approved organogram and budgeted for vacant positions. 	5	5	25	Senior Human Settlement & Property Maintenance Officer
28	Insufficient construction sites.	<ul style="list-style-type: none"> Shortage of plant and equipment. Financial constraints. 	5	5	25	<ul style="list-style-type: none"> Borrow plant and equipment from other internal departments. Submit financial requests to the Provincial Department. 	4	4	16	Senior Human Settlement & Property Maintenance Officer

Risk No	Risk Identified	Cause factor	IL	II	IR	Mitigating Controls	RL	RI	RR	Risk Owner
29	Encroachment of cadastral boundaries. Removal of pegs by disgruntled community members.	<ul style="list-style-type: none"> Shortage of highly skilled staff to carry out the site identification. Invisible site pegs due to delay between pegging and construction. 	5	5	25	• None.	5	5	25	Senior Human Settlement & Property Maintenance Officer
Property Maintenance										
29	Depletion of Municipal properties. Avoidable expenditure incurred. Potential to engage in unethical procurement practices. Danger to expose employees to occupation health hazards.	<ul style="list-style-type: none"> No developed Property Maintenance Plan. Shortage of staff. 	5	5	25	• None.	5	5	25	Senior Human Settlement & Property Maintenance Officer
30	Depletion of Municipal properties.	<ul style="list-style-type: none"> No functioning complaints management system. No updated register of tenants. 	5	5	25	• An informal register is maintained for all complaints received.	4	4	16	Senior Human Settlement & Property Maintenance Officer
31	Depletion of Municipal properties.	• No developed Property Maintenance Plan.	5	5	25	• Main Collective Agreement	5	5	25	Senior Human Settlement & Property

Risk No	Risk Identified	Cause factor	IL	II	IR	Mitigating Controls	RL	RI	RR	Risk Owner
	Danger to expose employees to occupation health hazards. Non-compliance to internal processes.	<ul style="list-style-type: none"> Shortage of staff. Arrogance by officials. 				<ul style="list-style-type: none"> between the employer and Unions is in place. Code of conduct developed and is to be signed by all officials. 				Maintenance Officer
32	Inability to accurately account for Municipal Property in the Property Register. Misstatement of asset values in the AFS.	<ul style="list-style-type: none"> Lack of monitoring of lapsing lease agreements. Maintenance of the Municipal Property Register after its initial compilation by the Consultants. Lack of skilled staff. 	5	5	25	<ul style="list-style-type: none"> Property Register compiled by Consultants is in place. 	4	4	16	Senior Human Settlement & Property Maintenance Officer
33	Sites occupied by illegal occupants. Double allocation of site numbers. Billing of incorrect occupant by Municipality.	<ul style="list-style-type: none"> Illegible numerous officials allocating sites. Lack of an Ownership and allocation database aligned with the Finance System. Opening of accounts using incorrect information as a result of lack of diligence by Municipal Officials. 	5	5	25	<ul style="list-style-type: none"> Issued instruction to finance stating that no new account should be opened without P&D approval. Record of new account requests are maintained 	2	2	4	Senior Human Settlement & Property Maintenance Officer

Risk No	Risk Identified	Cause factor	IL	II	IR	Mitigating Controls	RL	RI	RR	Risk Owner
		<ul style="list-style-type: none"> Corrupt Councillors allocate sites without authority. 				<ul style="list-style-type: none"> and verified by P&D. Delegated official to verify ownership status. 				

Operational Risks: COMMUNITY SERVICES

Divisions within the department

Senior Manager: Public Safety

- Fire rescue
- Traffic
- Licensing
- Security management

Senior Manager: Forestry, Parks and Solid Waste

- Solid waste
- Sports and recreation
- Forestry
- Library
- Parks

Operational Objectives:

Senior Manager: Public Safety

- To save lives and property,
- To enforce traffic laws and to promote road safety
- To register and license motor vehicles,
- examination of learners and drivers licenses
- proper management of security services

Senior Manager: Forestry, Parks and Solid Waste

- To provide adequate and affordable refuse services to all inhabitants in the area
- To make sure that the community is encouraged to participate in sport and recreation
- To bring revenue to the municipality and serve as municipal investment
- To ensure communities have access to information and other services such as internet

Risk No	Risk Identified	Cause factor	IL	II	IR	Mitigating Controls	RL	RI	RR	Risk Owner
Public Safety										
Fire and rescue										
1	Inability to save lives and property	<ul style="list-style-type: none"> • Budget constraints (insufficient cash flow) • Insufficient staff • Centralised fire station (Distance to community) • Insufficient equipment (Fire trucks) • Inability to combat 	5	5	25	<ul style="list-style-type: none"> • No real controls (Good maintenance and trained staff) 	5	5	25	Senior Manager: Forestry, Parks and Solid Waste

		hazard incidents (Trucks and trains with hazardous substances) <ul style="list-style-type: none"> • Insufficient communication equipment and networks • High maintenance cost due to outdated vehicles • Lack of by-laws 								
Traffic laws										
2	Inability to promote road safety	<ul style="list-style-type: none"> • Lack of by-laws • Lack of staff and equipment (vehicles) • Outdated equipment • Loss of employees due to grading of municipality (salary levels) • High traffic volumes for current roads • Bad road aconditions • Non execution of 	5	5	25	<ul style="list-style-type: none"> • Law enforcement without by-laws 	5	5	25	Senior Manager: Forestry, Parks and Solid Waste

		warrants of arrests for non-payers of traffic fines (foreigners)								
Licensing										
3	Loss of income for the municipality	<ul style="list-style-type: none">Lack of staff (one employee responsible for testing of motor vehicles, both light and heavy)Time-delays for testing vehiclesPossible fraud and corruption	3	3	9	<ul style="list-style-type: none">Daily cash reconciliations performed upSpeed points to reduce volumes of cashProper record keeping of vehicles tested	2	3	6	Senior Manager: Forestry, Parks and Solid Waste
Solid Waste										
4	Inability to provide adequate and affordable refuse services to all inhabitants in the area	<ul style="list-style-type: none">Lack of staff and equipmentLack of road infrastructure(Bad roads)Lack of payments of services (informal Settlements)Lack of land filled site capacity	3	3	9	<ul style="list-style-type: none">Budgeting in place for the employment of staff and purchase of equipment.	3	2	6	Senior Manager: Forestry, Parks and Solid Waste

Sports and recreation										
5	Inability to provide sports facilities and recreation opportunities to the community	<ul style="list-style-type: none"> No sports facilities Limited budget (MIG funding) 	5	4	20	<ul style="list-style-type: none"> 15% of MIG funding available for sports facilities. 	5	4	20	Senior Manager: Forestry, Parks and Solid Waste
Forestry										
6	Inability to maximise revenue for the municipality	<ul style="list-style-type: none"> Limited resources to develop the forestry Limited resources to maintain AG report – municipality not suppose to own business (municipality must register entity) Lack of skilled personnel (Forestry) Lack of forest fire fighting equipment 	5	5	25	<ul style="list-style-type: none"> No control in place (limited fire fighting equipment) 	5	5	25	Senior Manager: Forestry, Parks and Solid Waste
Library										
7	Inability to ensure that the community has access to information and communication services.	<ul style="list-style-type: none"> Only one centralised library in town No budget for the 	3	2	6	<ul style="list-style-type: none"> Budget for senior librarian. 	3	2	6	Senior Librarian

		library <ul style="list-style-type: none"> No qualified librarian Shortages of staff Not under municipality control (Controlled by the Dept of Sports, recreation and culture). 								
Parks										
8	Inability to create and maintain leisure facilities	<ul style="list-style-type: none"> Shortage of staff Lack of budgets 	1	1	1	<ul style="list-style-type: none"> Parks maintained are Budget in place. 	1	1	1	

- To maintain and create leisure facilities

Operational Risks: CORPORATE SERVICES

Units within CS

1. Secretariat and Auxiliary services
2. Human Resources
3. Mayoralty and Communications
4. Satellite offices

Operational Objectives:

- Agenda, Minute taking and resolutions
- Records management
- Housekeeping
- Hall management
- Recruitment and selection
- OHS and EAP
- Labour relation
- Skills development
- All personnel services
- Target Groups
- Internal and external communications
- HIV/AIDS
- Protocol
- Corporate identity
- Management of Satellite offices

Risk No	Risk Identified	Cause factor	IL	II	IR	Mitigating Controls	RL	RI	RR	Risk Owner
Corporate Services										
Secretariat & Auxiliary Services										
1	Inability to submit Agenda's on time	<ul style="list-style-type: none"> Late submission of items by internal stakeholders Dilapidating equipment Transport for distributions of agenda's 	4	5	20	<ul style="list-style-type: none"> Management resolutions Services delivery contracts No control on vehicles 	3	5	15	Senior ManagerSecretariat &Auxiliary Services
2	Inaccurate recording of Minutes taking and resolutions	<ul style="list-style-type: none"> Inadequate skills of people taking minutes Lack of resources Failure to adhere to approve meeting schedules 	3	5	15	<ul style="list-style-type: none"> Planned Skills development Approved Organogram Approved schedules for meetings 	3	5	15	Senior ManagerSecretariat &Auxiliary Services
3	No proper records management	<ul style="list-style-type: none"> System not utilised effectively Lack of resources No approved Archiving Policy 	5	5	25	<ul style="list-style-type: none"> Approved File plan ORBIT system 	5	5	25	Senior ManagerSecretariat &Auxiliary Services
4	Ineffective Housekeeping	<ul style="list-style-type: none"> Lack of management system Lack of resources 	4	4	16	<ul style="list-style-type: none"> In-house Roster 	4	4	16	Senior ManagerSecretariat &Auxiliary Services
5	Ineffective Hall management	<ul style="list-style-type: none"> Lack of management system 	4	3	12	<ul style="list-style-type: none"> In-house checklist 	4	3	12	Senior ManagerSecretariat &Auxiliary Services

Risk No	Risk Identified	Cause factor	IL	II	IR	Mitigating Controls	RL	RI	RR	Risk Owner
		<ul style="list-style-type: none"> Lack of maintenance plan 								
Human Resources										
6	Ineffective Recruitment and selection processes	<ul style="list-style-type: none"> Lack of resources Lack of approved process plan Misunderstanding of the roles and responsibilities at Short listing and interview panels. Long turnaround time on appointments 	4	5	20	<ul style="list-style-type: none"> Recruitment and selection policy Monthly reporting to Mayoral Committee 	3	5	15	SM: Human Resources
7	Inadequate OHS and EAP	<ul style="list-style-type: none"> Misunderstanding of the roles and responsibilities in OHS and EAP Lack of resources Lack of practical knowledge 	5	5	25	<ul style="list-style-type: none"> Approved policy EAP EAP outsourced 	4	5	20	SM: Human Resources
8	Poor Labour relation	<ul style="list-style-type: none"> No policies in place Lack of training on policies and procedures Long turnaround time on cases Lack of skilled resources (Chairperson and employer representatives) Lack of Human Resources 	5	5	25	<ul style="list-style-type: none"> Collective agreement on Disciplinary. Organogram 	5	5	25	SM: Human Resources

Risk No	Risk Identified	Cause factor	IL	II	IR	Mitigating Controls	RL	RI	RR	Risk Owner
9	Inadequate Skills development	<ul style="list-style-type: none"> Financial constraints Lack of approved process plan Misunderstanding of the roles and responsibilities in skills development Ineffective training by services providers due to the ineffective identification of training needs. 	4	5	20	<ul style="list-style-type: none"> Budget Approved training policy. Approved workplace skills plan. 	3	4	12	SM: Human Resources
10	Ineffective personnel services	<ul style="list-style-type: none"> Lack of resources Lack of office space Lack of policies and procedures Misunderstanding of the roles and responsibilities from all employees Lack of training on policies and procedures. 	4	5	20	<ul style="list-style-type: none"> In-house checklist 	4	5	20	SM: Human Resources
Mayorality and Communications										
11	Failure to prioritize Target Groups	<ul style="list-style-type: none"> Financial constraints Lack of resources No policies and procedures Inadequate external and 	5	5	25	<ul style="list-style-type: none"> Budget 	5	5	25	Senior Manager Communications & Mayoralties

Risk No	Risk Identified	Cause factor	IL	II	IR	Mitigating Controls	RL	RI	RR	Risk Owner
		internal stakeholder support								
12	Poor Internal and external communications	<ul style="list-style-type: none"> Financial constraints Poor contract (SLA) management Poor planning Ineffective website Lack of resources 	4	5	20	<ul style="list-style-type: none"> Budget Service Level agreement in place Website 	4	5	20	Senior Manager Communications & Mayoralties
13	No effective HIV/AIDS co-ordination	<ul style="list-style-type: none"> Lack of Human Resources Lack of Funds No Policy 	5	5	25	<ul style="list-style-type: none"> Budget Organogram 	5	5	25	Senior Manager Communications & Mayoralties
14	Failure to observe Protocol	<ul style="list-style-type: none"> Ineffective communication line No protocol awareness to all employees and Councillors 	5	3	15	<ul style="list-style-type: none"> Approved structures 	5	3	15	Senior Manager Communications & Mayoralties
15	Lack of Corporate identity	<ul style="list-style-type: none"> Bad media coverage No uniform stationary Insufficient marketing of the municipality None wearing of name tags 	5	5	25	<ul style="list-style-type: none"> Service Agreement Level with media house Municipal Letter Head 	3	5	15	Senior Manager Communications & Mayoralties

Risk No	Risk Identified	Cause factor	IL	II	IR	Mitigating Controls	RL	RI	RR	Risk Owner
Satellite Offices										
16	Ineffective Coordination of Satellite offices	<ul style="list-style-type: none"> Lack of resources Lack communication planning 	5	5	25	<ul style="list-style-type: none"> None 	5	5	25	SM: Satellite Offices

Operational Risks: Department of Finance

Units within Finance

1. Revenue
2. Expenditure
3. Supply Chain Management
4. Budget and Financial Reporting
5. ICT

Operational Objectives:

- To maximize revenue (debt collection)
- Effective SCM
- Effective IT services
- Effective expenditure management
- Effective budgeting and reporting processes

Risk No	Risk Identified	Cause factor	IL	II	IR	Mitigating Controls	RL	RI	RR	Risk Owner
SCM										
1	Ineffective SCM services	<ul style="list-style-type: none"> Cooperation with other departments Poor planning by departments on procurement Ineffective bid committee (delays in procurement/lack of commitment) Departments do not work through supply chain in procuring goods and services Lack of resources in fleet management Lack of training and access to SCM policies by all staff within the municipality Lack of internal controls Lack of legal guidance on contract management 	5	5	25	<ul style="list-style-type: none"> SCM policy in place Bid committees in place and reviewed quarterly Comply with all regulations (declaration of interests form signed by members) 	5	5	25	SM: SCM
Asset Management										
2	Ineffective asset management	<ul style="list-style-type: none"> Ageing infrastructure Lack of maintenance plan No register of leased assets Lack of internal controls (movement of assets without updating register, driving without permission) Theft of assets Non implementation of fleet management policy 	5	5	25	<ul style="list-style-type: none"> Updated Asset register in place (updated monthly) Fleet management policy Asset management policy Trip authorities Regular assets 	5	5	25	SM: Budget & Financial Reporting

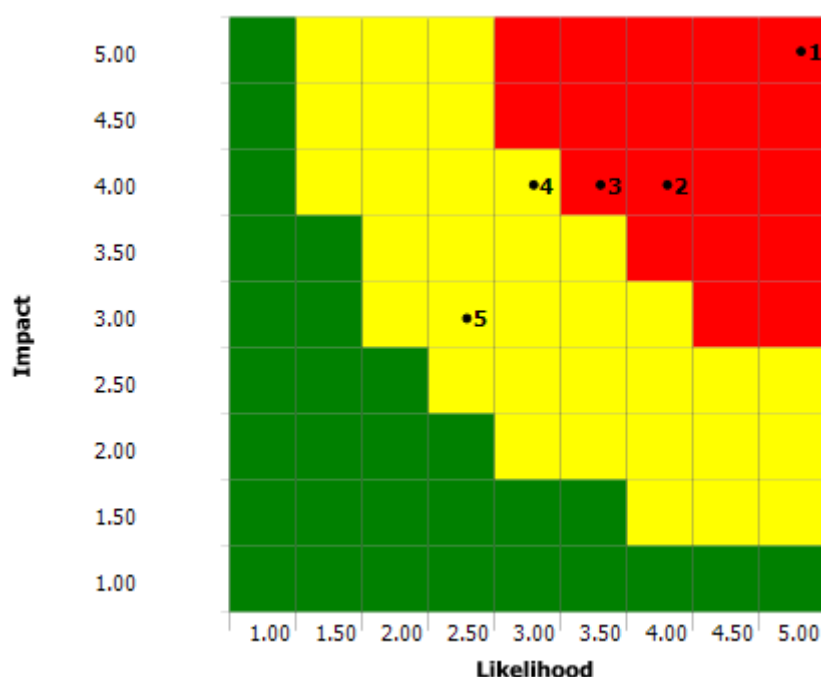
Risk No	Risk Identified	Cause factor	IL	II	IR	Mitigating Controls	RL	RI	RR	Risk Owner
		<ul style="list-style-type: none"> Lack of proper resources to manage Theft of fuel 				<ul style="list-style-type: none"> recons Central location of petrol and diesel at stores 				
Expenditure Management										
3	<ul style="list-style-type: none"> Ineffective expenditure management 	<ul style="list-style-type: none"> Lack of proper budgeting Poor budget monitoring Low cash flow levels (payment of large creditors) Segregation of duties between HRM and Salaries Non allowable items paid out of petty cash No expenditure forecast Access to Munsoft information by managers 	5	5	25	<ul style="list-style-type: none"> Cash flow management policy in place Approved budget in place Petty cash policy in place 	4	4	16	SM: Expenditure
Revenue Management										
4	Ineffective revenue management	<ul style="list-style-type: none"> Forestry is under community instead of finance (Revenue generated by Forestry-inaccurate information) Lack of implementation of revenue enhancement strategy No revenue forecast Non implementation of debt 	5	5	25	<ul style="list-style-type: none"> Budget in place Revenue enhancement strategy in place Debt collection policy in place Appointed a valuator 	5	5	25	SM: Revenue

Risk No	Risk Identified	Cause factor	IL	II	IR	Mitigating Controls	RL	RI	RR	Risk Owner
		collection policy <ul style="list-style-type: none"> Loss of revenue on non trading services By-laws not implemented Loss of revenue on prepaid meters Accessibility to purchase prepaid electricity by communities (satellite office not functional) Huge outstanding debts Inaccurate valuation roll 								
ICT										
5	Ineffective ICT Service	<ul style="list-style-type: none"> Budget constraints No proper IT structure (helpdesk) IT strategy not in place Training on applications Systems not properly aligned with end user needs/requirements Under-staffing Computer training to staff General awareness of staff on access controls Use of private emails Satellite offices off-line 	5	5	25	<ul style="list-style-type: none"> Active directory developed Exchange Website developed for accessing emails outside the municipality Draft IT policy 	5	5	25	SM: ICT
Budget										
6	Ineffective budget	<ul style="list-style-type: none"> Poor planning and monitoring from 	5	5	25	<ul style="list-style-type: none"> Approved budget 	5	5	25	SM: Budget

Risk No	Risk Identified	Cause factor	IL	II	IR	Mitigating Controls	RL	RI	RR	Risk Owner
	management	departments <ul style="list-style-type: none"> Budget relies to some extent on reserves Un-mandated expenditure Quality of information on compliance reporting No dedicated unit for AFS IDP not linked to budget 				by Council <ul style="list-style-type: none"> Budget policies approved by Council Staffed budget unit 				& Financial Reporting

Inherent risk heat map

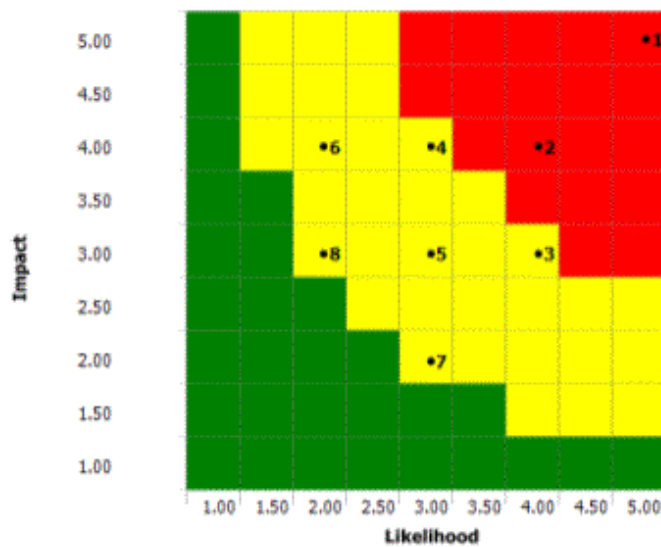
The inherent risk heat map graphically depicts the risk profile without taking current controls into account. This is a graphical representation related to the results depicted in the aforementioned risk executive dashboard.



Point	Title	Rating
1	Inability to provide adequate service delivery infrastructure	25.0
1	Inability to deliver effective, affordable and accessible community services to all.	25.0
1	Inability of the municipality to continue as a going concern.	25.0
1	Inability to ensure sound corporate governance	25.0
4	Inability to ensure proper planning and development of the municipality and the community	12.0

Residual risk heat map

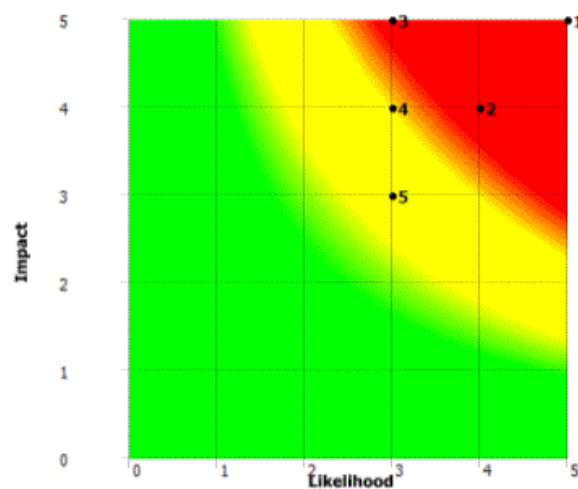
The residual risk heat map graphically depicts the risk profile after taking current controls into account. This is a graphical representation related to the results depicted in the aforementioned risk executive dashboard. Management should concentrate on controls for those risks in the red area and put additional actions in place for those risks still in the high yellow and red areas in the residual risk rainbow.



Point	Title	Rating
1	Inability to provide adequate service delivery infrastructure	25.0
1	Inability to deliver effective, affordable and accessible community services to all.	25.0
1	Inability of the municipality to continue as a going concern.	25.0
1	Inability to ensure sound corporate governance	25.0
4	Inability to ensure proper planning and development of the municipality and the community	12.0

Inherent risk rainbow

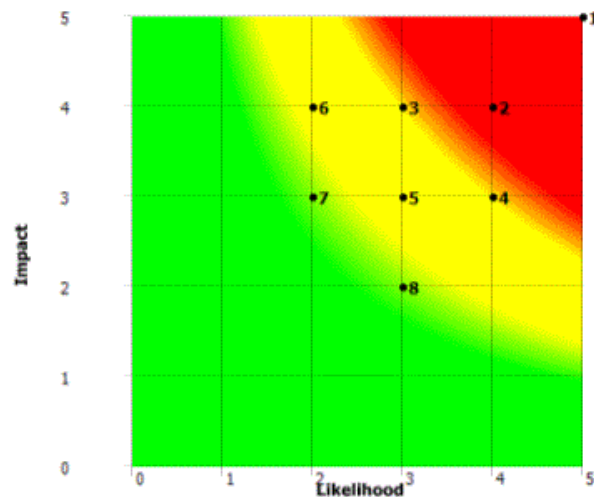
The inherent risk rainbow graphically depicts the risk profile without taking current controls into account. This is a graphical representation related to the results depicted in the aforementioned risk executive dashboard.



Point	Title	Rating
1	Inability to provide adequate service delivery infrastructure	25.0
1	Inability to deliver effective, affordable and accessible community services to all.	25.0
1	Inability of the municipality to continue as a going concern.	25.0
1	Inability to ensure sound corporate governance	25.0
4	Inability to ensure proper planning and development of the municipality and the community	12.0

Residual risk rainbow

The residual risk rainbow graphically depicts the risk profile after taking current controls into account. This is a graphical representation related to the results depicted in the aforementioned risk executive dashboard. Management should concentrate on controls for those risks in the red area and put additional actions in place for those risks still in the high yellow and red areas in the residual risk rainbow.



Point	Title	Rating
1	Inability to provide adequate service delivery infrastructure	25.0
1	Inability to deliver effective, affordable and accessible community services to all.	25.0
1	Inability of the municipality to continue as a going concern.	25.0
1	Inability to ensure sound corporate governance	25.0
4	Inability to ensure proper planning and development of the municipality and the community	12.0

Inherent residual risks

The criteria used in assessing the likelihood and impact for both inherent (before mitigating controls) and residual (after taking mitigating controls into account) risk are described below:

Likelihood

Measurement factor	Likelihood level	Description
1	Very unlikely	Adverse event will not occur in the long term
2	Unlikely	Highly unlikely that the adverse event will occur
3	Moderate	More likely than not the adverse event will occur
4	Certain	Highly likely that the adverse will occur
5	Almost certain	Adverse event will definitely occur or is pervasive

Impact

Measurement factor	Impact level	Description
1	Low	Impact of adverse event is negligible/ Not worth worry about
2	Minor	No material impact on objectives/Event which can be managed under normal operating conditions
3	Moderate	Service delivery will be influenced, but limited impact/Major events which can be managed, but requires additional resources and management effort
4	Significant	Critical event requiring executive management intervention/event can be endured but may have a prolonged negative impact and extensive consequences
5	Catastrophic	Potential collapse of the organisation and is fundamental to the achievement of the objectives

Anti-corruption and fraud

Introduction

The existing document is inclusive of Plan, Policy, control strategies and procedures for investigations. Fraud represents a significant potential risk to the Municipality's assets, service delivery efficiency and reputation. The Municipality will not tolerate corrupt or fraudulent activities, whether internal or external to the Institution, and will vigorously pursue and prosecute any parties, by all legal means available, which engage in such practices or attempt to do so.

Local Government developed the Local Government Anti-Corruption Strategy (LGACS), which is modelled around the Public Service Anti-Corruption Strategy. The main principles upon which the LGACS is based are the following:

- Creating a culture within municipalities, this is intolerant to unethical conduct, fraud and corruption;
- Strengthening community participation in the fight against corruption in municipalities.

Forms of corruption

Corruption takes various forms in the public service and elsewhere in society. The following are examples of different types of corruption.

Bribery

Bribery involves the promise, offering or giving of a benefit that improperly affects the actions or decisions of public servants.

1.1.1.2 Embezzlement

This involves theft of resources by persons who control such resources.

Fraud

Any conduct or behaviour of which a dishonest representation and/or appropriation forms an element.

Extortion

Coercion of a person or entity to provide a benefit to a public servant, another person or an entity, in exchange for acting (or failing to act) in a particular manner.

Abuse of power

The use by a public servant of his or her vested authority to improperly benefit another public servant, person or entity (or using vested authority to improperly discriminate against another public servant, person or entity).

Conflict of interest

The failure by a public servant to act or to consciously fail to act on a matter where the public servant has an interest or another person or entity that has some form of relationship with the public servant has an interest.

Abuse of privileged information

This involves the use, by a public servant of privileged information and knowledge that a public servant possesses as a result of his/ her office to provide unfair advantage to another person or entity to obtain a benefit.

Favouritism

The provision of services or resources according to personal affiliation (for example cultural or religious) of a public servant.

Nepotism

A public servant ensuring that family members are appointed to public service positions or that family members receive contracts from the state, is regarded as nepotism. These manifestations are by no means exhaustive as corruption appears in many forms and it is virtually impossible to list all of these.

Supply Chain Management

Introduction

The Supply Chain Management Unit has adopted a SCM Policy in accordance with SCM Regulation 3. Relevant SCM policies applied within the Unit are SCM policy, Asset management Policy, Inventory Management Policy, Asset Disposal Policy, and Fleet Management Policy.

Human Resource: The Unit currently has three sections, Demand and Acquisition, Fleet Management, and Asset Management. Demand and Acquisitions have four permanent personnel and one Intern, Fleet Management has three permanent staff, Asset Management has one permanent staff, and Stores has four permanent personnel. The Unit currently has four unfilled positions that, two Fleet Assistant positions are unfilled, one vacant position of Senior Clerk in the Demand and Acquisition, and one Senior Clerk in Asset management. Job descriptions are currently developed with the assistance of Grant Thornton Consultant group appointed by Gert Sibande District Municipality.

The SCM Policy outlines the processes that needs to be followed when procurement and acquisition of goods and services is done. The Policy complies and is in line with SCM Regulations. SCM adheres and has adopted the PPPFA and BBBEE preferential procurement policies. SCM Policy follows SCM Regulation 12 in terms of its procurement procedures and thresholds. All procurement requirements above two hundred thousands are done through competitive bidding as per Regulation 12 requirement. Petty cash purchases are limited to a maximum of three hundred rands as per SCM policy requirement. All bid documents of the Municipality are in line and comply with MFMA Circular 25 requirements.

The bidding documents clearly states the evaluation criteria to be used in each tender advertised. All members of the bid committees are subjected to signing declarations (in terms of confidentiality) and code of conduct as per Regulation 46 and MFMA Circular No.22. All SCM Practitioners and employees have been made aware and have signed the relevant code of conduct. Through the National Treasury the SCM staff are regularly trained and capacitated. All Practitioners have undergone and completed the minimum competency training programme. The Asset Management Unit is within the SCM Directorate; It is currently in operation with one Practitioner and has a vacant post for a Senior Clerk. The Unit has adopted an Asset Management policy in line with SCM Regulations. With Assistance of the PSINC Consultant Group the Unit has developed an Asset Register. The Unit updates the Register with monthly additions as they are procured through the SCM procurement processes.

Repair and Maintenance Expenditure 2008/09				R' 000
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	125	129	128	-2.40%
				T5.3.4

CHAPTER 3

SERVICE DELIVERY PERFORMANCE

COMPONENT A: WATER PROVISION AND SANITATION

Introduction

Water and Sanitation as a section within Technical Services Department is tasked with three primary responsibilities:

1. To provide potable water to all Mkhondo Local Municipality consumers.
2. To collect, treat effluent received from residential, and industrial consumers and return treated effluent into natural water resources in accordance to water services Act, Act No: 108 of 1997
3. To monitor quality of water distributed to approximately 28,500 residential, industrial and commercial consumer units and wastewater discharged into water resource.

WATER SERVICES

Mkhondo Local Municipality have four water schemes thus:

- Amsterdam water supply scheme
- Driefontein water supply scheme
- Piet Retief water supply scheme
- Rural water supply scheme

AMSTERDAM WATER SUPPLY SCHEME

The Amsterdam Water Treatment Plant is located on the North Eastern side of the town. Raw water is abstracted from the drops Dam on Thole River.

The plant is serving a present population of approximately 11500 residents with an estimated water demand of 2 373 kl/day. The existing plant was recently extended to 6 300 kl/day.

2,100, 450 kl of purified water was pumped to communities of Amsterdam and surroundings during the financial year 2012/ 2013.

DRIEFONTIEN WATER SUPPLY SCHEME

Driefontein water scheme consist of one water treatment plant which receive raw water from the Heyshope Dam and is located toward the south west of the dam. The plant has a capacity of about

6,050 kl/day and provides water to the communities of Kwa-Ngema North and Driefontein with an

estimated population of approximately 34,500 and a current water demand of approximately 2,500 kl/day.

2, 025, 00 kl of purified water was supplied to the communities of Driefontein and the surroundings during the financial year 2012/ 2013.

PIET RETIEF WATER SUPPLY SCHEME

Pit Retief water supply scheme consist of two water treatments plant with a combined capacity of 12.4 MI/day. Both water treatments plant are situated on the banks Asseggai River from where raw water is abstracted for the treatment. The treatment plants serves a community of approximately 46 400 residents.

Approximately 3,571,200 kl of treated water was mad available to the community of Piet Retief and its surroundings for consumption.

RURL WATER SUPPLY SCHEME

Mkhondo local water municipality uses several methods in supplying the rural villages within the Mkhondo jurisdiction area which are:

1. Borehole
2. Water tankers
3. Water fountains

BORHOLES

Approximately 500 boreholes are operated and serviced by our borehole maintenance team. Approximate 800 complaints related to mechanical faulty were repaired. Approximately 820.000kl of drinking water were made available to rural villages for consumption during the financial year 2012/ 2013.

WATER TANKERS

The municipality has four water tankers that supplies water to 102 rural villages. Approximately 45 000 kl of drinking water were available to rural villages for consumption during the financial year.

DRINKING WATER QUALITY

Mkhondo Local Municipality serves as the Water Service Authority (WAS) and also Water Service Provider (WSP). The municipality provides access to water for the communities within its jurisdiction in accordance to the constitution of the Republic of South Africa (Act 32 of 2000) and Water Services (Act 108 of 1997).

Approximately 70% of the total population of Mkhondo Local Municipality resides in rural villages. The municipality uses its internal expertise and capacity to provide water to the consumers with the four Water Supply scheme.

WATER QUALITY PARAMETERS

All the samples get analysed for each point and a total number of 17 water quality parameters from:

- Microbiological
- Physical
- Chemical

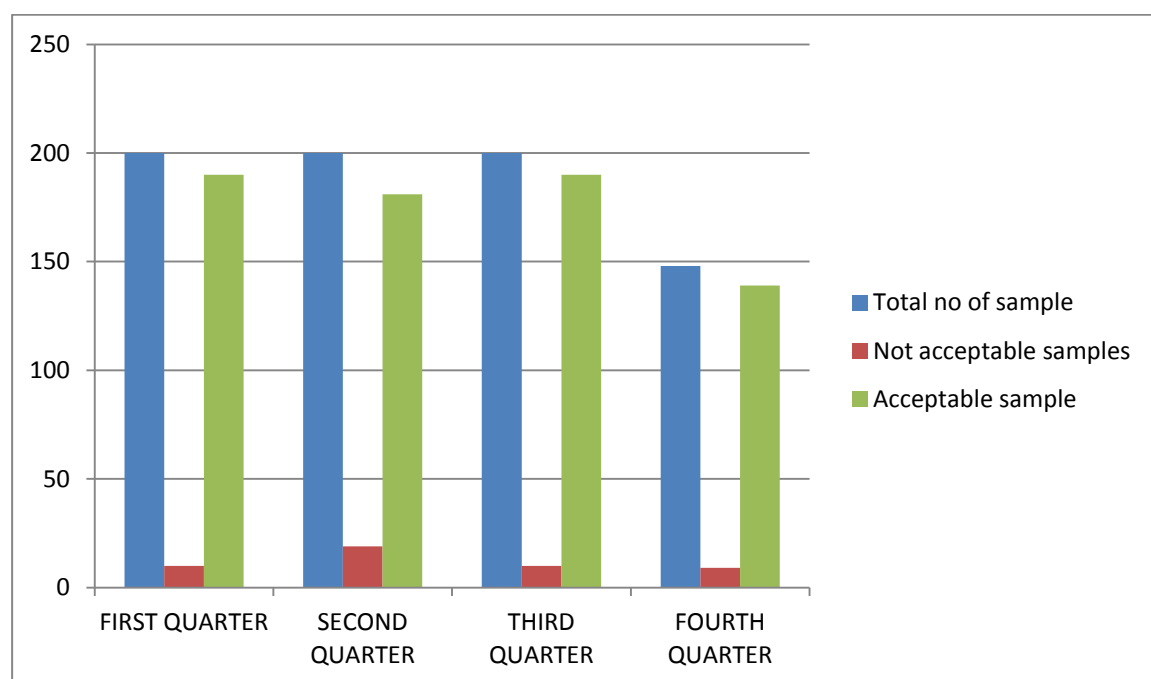
WATER QUALITY OVERVIEW

During the four terms period 2012/ 2013 they were over 748 samples that were taken. The samples were taken from different positions, reservoirs household's taps and boreholes over 12716 analysis were undertaken from those sample.

Only forty eight (48) sampling points failed to comply with class1 SANS 241:2006 and the other 700 samples complied with the class1 SANS 241 and thus equate to over 94% compliance.

DRINKING WATER QUALITY OVERVIEW FOR TWEELE MONTHS					
TIME	Total no of sample	Not acceptable samples	Acceptable sample	Compliance	No of analysis
First Quarter	200	10	190	95%	9600
Second Quarter	200	19	181	90.5%	8688
Third Quarter	200	10	190	95%	9600
Fourth Quarter	148	9	139	94%	7104
Total	748	48	700	94%	34992

GRAPHICAL REPRESENTATION OF DRINKING WATER QUALITY OVERVIEW FOR TWELVE MONTHS



Water Service - Number of Households

Description	2010/2011	2011/2012	2012/2013	
	Actual Number	Actual Number	Actual Number	Actual Number
<u>Water: (above minimum level)</u>				
Piped water inside dwelling	39.5%	48.5%	50.8%	48.3%
Piped water inside yard (but not in dwelling)				
Using public tap (stand pipes)	30.5%	31.1%	31.1%	30.1 %
Other water supply (within 200m)	30.2%	20.4%	10.2%	20.3%
Minimum Service Level and Above sub-total	0	0	0	0
Minimum Service Level and Above Percentage				
<u>Water: (below minimum level)</u>				
Using public tap (more than 200m from dwelling)	6.1%	5.5%	3.2%	4.9%
Other water supply (more than 200m from dwelling)				
No water supply	5.3 %	2.3%	0.3%	2.6%
Below Minimum Service Level sub-total	0	0	0	0
Below Minimum Service Level Percentage				
Total number of households*	56530	65432	85500	69154
*To include informal settlements				

Source Stats SA 2011

TECHNICAL SERVICE DEPARTMENT

WATER & SANITATION DIVISION

Strategic Objective		Institutional KPI	Unit of Measurement	Annual Target	Annual Budget	1 st Quarter		2nd Quarter		3rd Quarter		4th Quarter		Annual Performance	
	Ward	Baseline / Project Name	Output Measure			Output Target	Budget	Output Target	Budget	Output Target	Budget	Output Target	Budget	Output Target	Budget
WATER															
	6; 7	Provide purified water through AMSTERDAM water supply scheme	Quantity supplied in Mega Litres (Ml)	2268	R 6,075,000	567	R 1,518,750	567	R 1,518,750	567	R 1,518,750	567	R 1,518,750	R 2,268	R 6,075,000
	10; 11; 12; 13 & 14	Provide purified water through PIET RETIEF water supply scheme	Quantity supplied in Mega Litres (Ml)	4464		1116		1116		1116		1116		R 4,464	R 0
		Provide purified water through DRIEFONTEIN water supply scheme	Quantity supplied in Mega Litres (Ml)	2737		684.25		684.25		684.25		684.25		R 2,737	R 0
		Provide purified water through RURAL (BOREHOLES) water supply scheme	Quantity supplied in Mega Litres (Ml)	18.25		4.6		4.6		4.6		4.6		R 18	R 0
		Provide purified water through RURAL (WATER TANKERS) water supply scheme	Quantity supplied in Mega Litres (Ml)	93.6		23.4		23.4		23.4		23.4		R 94	R 0
	All	Provide access to potable drinking water through household connections	Total number of new connections	300		75		75		75		75		R 300	R 0

			household												
	All	Provide safe drinking water that complies with SANS 241:2006	Total number of samples analysed (no.)	264		66		66		66		66		R 264	R 0
	All	Water Master Plan	Water Master Plan	Approved Water Master Plan and implementation	R 0.00	Collecting Data	R 0.00	Draft Plan	R 0.00	Approved Plan	R 0.00	Implementation	R 0.00		R 0
	All	Operations and Maintenance Plan (OMP)	Operations and Maintenance Plan (OMP)	Approved Operations and Maintenance Plan and implementation		Approved Plan		Implementation		Implementation		Implementation	R 0.00		R 0
Basic and higher levels of service and growth and development	All	Water Service Development Plan (WSDP)	Water Service Development Plan (WSDP)	Approved Water Service Development Plan (WSDP)		-		Collecting Data		Draft Plan		Approved Plan	R 0.00		R 0
	All	Blue Drop Improvement Plan	Blue Drop Improvement Plan	Approved Blue Drop Improvement Plan and implementation		Approved Plan		Implementation	R 0.00	Implementation	R 0.00	Implementation	R 0.00		R 0
	All	Water Asset Management Plan	Water Asset Management Plan	Approved Water Asset Management Plan and implementation		Approved Plan		Implementation	R 0.00	Implementation	R 0.00	Implementation	R 0.00		R 0

	All	Water Conservation and Demand Management Plan	Water Conservation and Demand Management Plan	Approved Water Conservation and Demand Management Plan and implementation				Approved Plan		Implementation	R 0.00	Implementation	R 0.00		R 0
	All	Public Awareness Plan on Water Conversation	Public Awareness Plan on Water Conversation	Public Awareness Plan on Water Conversation and implementation				Approved Plan		Implementation	R 0.00	Implementation	R 0.00		R 0
	All	Incident Management Plan	Incident Management Plan	Approved Incident Management Plan and implementation		Collecting Data		Approved Plan		Implementation	R 0.00	Implementation	R 0.00		R 0
TOTAL					R 6,075,000		R 1,518,750		R 1,518,750		R 1,518,750		R 1,518,750		R 6,075,000
WATER & SANITATION DIVISION															
Strategic Objective		Institutional KPI	Unit of Measurement	Annual Target	Annual Budget	1 st Quarter		2nd Quarter		3rd Quarter		4th Quarter		Annual Performance	
	Ward	Baseline / Project Name	Output Measure			Output Target	Budget	Output Target	Budget	Output Target	Budget	Output Target	Budget	Output Target	Budget
SANITATION															
	6; 7	Treat waste water through AMSTERDAM Waste Water Treatment Scheme	Quantity treated in Mega Litres (Ml)	1080	R 24,000,000	270	R 6,000,000	270	R 6,000,000	270	R 6,000,000	270	R 6,000,000	R 1,080	R 24,000,000
	10; 11; 12; 13 & 14	Treat waste water through PIET RETIEF Waste Water Treatment Scheme	Quantity treated in Mega Litres (Ml)	1440		360		360		360		360			

		Servicing of Septic Tanks in Amsterdam	Quantity drained in Mega Litres (MI)	10.8		2.7		2.7		2.7		2.7			
		Servicing of Septic Tanks in Amsterdam	Quantity drained in Mega Litres (MI)	0		0		0		0		0			
	All	Drain rural sanitation (Ventilated Improved Pit Latrines - VIP's)	Number on toilets drained	400		100		100		100		100			
	All	Provide access to decent sanitation through household connections	Total number of new connections to households	300		75		75		75		75			
	All	Discharge safe treated sewer water	Total number of samples analysed (no.)	264		66		66		66		66			
	All	Sanitation Master Plan	Sanitation Master Plan	Approved Sanitation Master Plan and implementation	R 0.00	Collecting Data	R 0.00	Draft Plan	R 0.00	Approved Plan	R 0.00	Implementation	R 0.00		
	All	Operations and Maintenance Plan (OMP)	Operations and Maintenance Plan (OMP)	Approved Operations and Maintenance Plan and implementation	R 0.00	Approved Plan	R 0.00	Implementation	R 0.00	Implementation	R 0.00	Implementation	R 0.00		
	All	Green Drop Improvement Plan	Green Drop Improvement Plan	Approved Green Drop Improvement Plan and implementation		Approved Plan		Implementation		Implementation	R 0.00	Implementation	R 0.00		

	All	Sludgde Handling Plan	Sludgde Handling Plan	Approved Sludgde Handling Plan and implementati on		Collecti ng Data		Draft Plan		Approved Plan		Implementati on	R 0.00		
	All	Sanitation Asset Management Plan	Sanitation Asset Manageme nt Plan	Approved Sanitation Asset Managemen t Plan and implementati on		Approve d Plan		Implementati on	R 0.00	Implementati on	R 0.00	Implementati on	R 0.00		
	All	Waste Water Risk Abatement Plan	Waste Water Risk Abatement Plan	Approved Waste water Risk Abatement Plan and implementati on		Approve d Plan		Implementati on	R 0.00	Implementati on	R 0.00	Implementati on	R 0.00		
	All	Incident Management Plan	Incident Manageme nt Plan	Approved Incident Managemen t Plan and implementati on		Collecti ng Data		Approved Plan		Implementati on	R 0.00	Implementati on	R 0.00		
TOTAL					R 24,000,000		R 6,000,000		R 6,000,000		R 6,000,000		R 6,000,000		R 24,000,000
OTHER															
	All	TLB (4X4)	Number Purchased	1	R 600,000	0	R 0	1	R 600,000	0	R 0.00	0	R 0.00	R 1	R 600,000
	All	Water meters	Number Purchased	300	R 200,000	1	R 200,000	0	R 0	0	R 0.00	0	R 0.00	R 1	R 200,000
	All	LDV	Number Purchased	2	R 150,000	1	R 150,000	0	R 0	0	R 0.00	0	R 0.00	R 1	R 150,000
	All	Municipal Assist Software & Plant Operation Manuals	Number Purchased	1	R 200,000	1	R 200,000	0	R 0	0	R 0.00	0	R 0.00	R 1	R 200,000
TOTAL					R 1,150,000		R 550,000		R 600,000		R 0.00		R 0.00		R 1,150,000
TOTAL ALLOCATION					R 31,225,000		R 8,068,750		R 8,118,750		R 7,518,750		R 7,518,750		R 31,225,000

Water Service - Number of Employees

<i>Job Level</i>	<i>2011/2012</i>	<i>2012/2013</i>			
	<i>Number of Employees</i>	<i>Number of Posts</i>	<i>Number of Employees</i>	<i>Number of Vacancies (fulltime equivalents)</i>	<i>Number of Vacancies (as a % of total posts)</i>
0 - 3	1	1	1	0	0%
4 - 6	3	18	20	2	10%
7 - 9	7	1	1	0	0%
10 - 12	3	3	4	1	25%
13 - 16	36	58	72	14	19%
17 - 18	18	0	0	0	0%
19 - 20	0	0	0	0	0%
Total	92	243	98	17	17.3%

The department will never have enough staff in that network experiences constant breakages due to the fact that the water infrastructure was ageing, there were constant breakdowns that require a lot of manpower, and the department was working on skeleton staff.

SANITATION SERVICES

Mkhondo Local Water has two (2) wastewater Schemes thus:

- Amsterdam wastewater supply scheme.
- Piet Retief wastewater supply scheme

AMSTERADM WASTEWATER TREATMENT WORKS

Approximately 6 600 000 kl of the combined commercial and Domestic Sewerage were treated to comply with general limit standards as stipulated by Department of Water Affairs (DWA).

PIET RETIEF WASTEWATER TREATMENT WORKS

Approximately 3 456 000 kl of the combined commercial and domestic sewerage were treated to comply with General limit standards as stipulated by the Department of Water Affairs (DWA).

SEPTIC TANKS

The Municipality is servicing a number of septic tanks and most of those are in Amsterdam CBD where there is no sewer reticulation, using both the council honey suckers and a contracted honey sucker. Approximately 11 004 kl of sewerage were collected in the septic tanks and offloaded to Amsterdam Wastewater works for treatment.

Sanitation Service - Service delivery levels

<i>Description</i>	<i>2009/10</i>	<i>2010/11</i>	<i>2011/12</i>	<i>2012/13</i>
	<i>Outcome Number of Households</i>	<i>Outcome Number of Households</i>	<i>Outcome Number of Households</i>	<i>Actual Number of Households</i>
Sanitation/Sewerage: (above minimum level)				
Flush toilet (connected to sewerage)	12150	12 188	13 435	14 775
Flush toilet (with septic tank)	790	800	880	993

Chemical toilet				
Pit toilet (ventilated)VIP	822	830	850	858
Other toilet provision (above in-service level)				
Sub-Total Households with minimum service level and above	1000	1600	1800	2051
Percentage Households with minimum service level and above	37.9%	39.9%	47.5,5%	49.1%
Sanitation/Sewerage (below minimum level)				
Bucket toilet				
Other toilet provision (below in-service level)	3.476	2.476	4100	4825
No toilet provision				
Sub-Total Households below Minimum Service Level				
Percentage Households below Minimum Service Level				
Total Households below Minimum Service Level				
<i>Total number of households including informal settlements</i>				

Source: Stats SA Census 2011

COMPONENT C: LOCAL ECONOMIC DEVELOPMENT

LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

LOCAL ECONOMIC DEVELOPMENT

The local economic Development of Mkhondo Municipality is strong in forestry and agriculture. The challenge the municipality does not have LED strategy.

ECONOMIC INDICATORS

ECONOMIC INDICATORS	Trend 1996-2011	Forecast 2011-2016	Better (+) or worse (-) than GertSibande	Better (+) or worse (-) than province	Ranking: best (1) – worst (18)
GDP growth (%)	0.9%	2.6%	(-) (4.1%)	(-) (3.5%)	17
	Trend		Latest figure		Ranking: best (1) – worst (18)
	2001	2007	2011		
Contribution to Mpumalanga GVA (%)	1.6%	1.5%	1.5%		15

Source: StatSA- 2011

- Expected to record the second lowest GDP growth of 2.6% per annum over the period 2011-2016 - very low growth rate of only 0.9% pa in the 1996-2011 period.
- Agriculture & community services should contribute the most to economic growth in the period 2011-2016 – also high labour intensity & comparative advantage of agriculture.
- GVA in 2011 – R3.0 billion at current prices and R1.7 billion at constant 2005 prices.
- The contribution to Mpumalanga's economy was 1.5% in 2011.

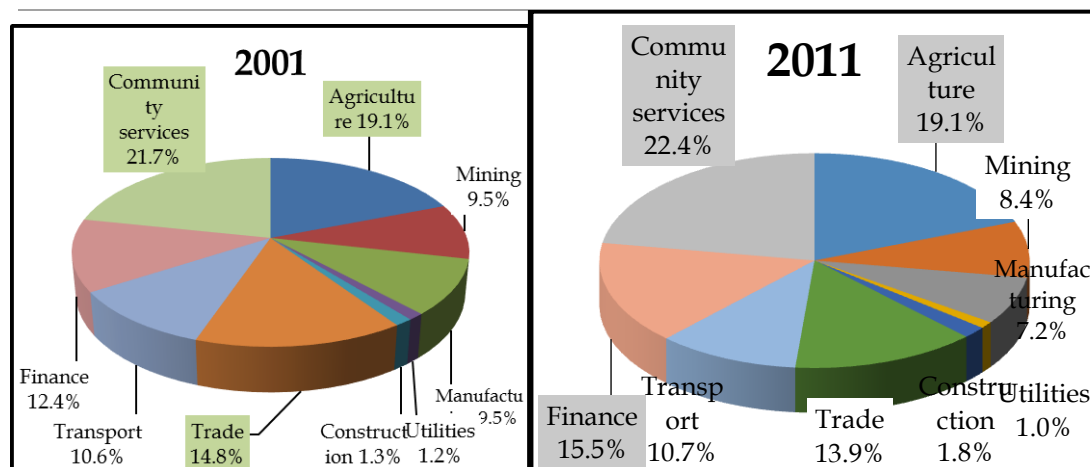
Contribution by Local Municipal Areas to GertSibande's industries (GVA constant 2005 prices)

INDUSTRY	Mkhondo
Agriculture	21.7%
Mining	3.0%

Manufacturing	1.0%
Utilities	1.4%
Construction	4.3%
Trade	7.5%
Transport	7.5%
Finance	7.9%
Community services	9.4%
Total	5.1%

Source: Global insight- August 2011

ECONOMIC INDICATOR



Source: statsa-2011

- Community services (22.4%), agriculture (19.1%) & finance (15.5%) were the leading industries of/in the Mkhondo economy in 2011.
- Structure of the economy more or less the same between 2001 & 2011.

Tourism Indicators

TOURISM INDICATORS	Trend		Latest 2011	Percentage share of GertSibande	Percentage share of Mpumalanga	Ranking: best (1) – worst (18)
	2001	2007				
Number of tourist trips	45 391	65 881	75 129	13.2%	2.2%	14
Bed-nights	318 848	284 761	339 635	13.2%	2.2%	14
Total spent R million (current prices)	R117.0	R128.3	R161.6	9.3%	1.4%	14
Total spent as a % of GDP (current prices)	9.3%	5.7%	4.9%			10

Source: StatSA - 2011

- Number of tourist trips increasing – 13.2% of GertSibande total and 2.2% of provincial total (fourth lowest).
- Total spent R161.6 million in 2011 – increasing but 5th lowest.
- Total tourism spent equals 4.9% of Mkhondo's GDP – decreasing trend its percentage of Mkhondo's GDP.

LED Strategy Objectives

- To promote a shared understanding of the LED concept, use of sound LED practices and the LED process flow;
- To promote private-public sector collaboration, support and funding of municipal LED Programs and projects;
- To identify key economic sectors that contributes to the growth of the Mkhondo Local Municipality economy;
- To ensure alignment of the strategy to the existing policies and strategies such as Integrated Development Plan, Spatial Development Framework, Environmental Management Framework and Housing plan;
- To develop a tourism development plan and a tourism marketing strategy.

Comments on Local Job Opportunities

The Mkhondo Local Municipality Created several jobs through different projects, Community works Programme, Phezukomkhono Projects and Comprehensive Rural Development programme.

There number of job opportunities we intend to explore through Tourism sector, as Mkhondo Municipality is the gate way to Kwazulu Natal and Swaziland.

Job creation (Phezukomkhono Projects)

Job creation through EPWP* projects	
Year 2012/13	Number of jobs created through Phezukomkhono projects
Phezukomkhono Projects	88 Youth
This projects was funded by GerstSibande District Municipality	

CWP PROJECTS

Community Works Programme (CWP)

The Community Work Programme (CWP) is an initiative designed to provide an employment safety net, by providing participants with a predictable number of days of work per month thus supplementing their existing livelihood strategies and affording them a basic level of income security through work. The programme is targeted at unemployed and/or underemployed people of working age, including those whose livelihood activities are insufficient to lift them out of poverty. It is implemented at the local level at a 'site' (which generally comprises a 'community') and is designed to employ a minimum of 1,000 people per site for two days a week, or eight days a month.

During the current financial year the Municipality had a target of 1500 participant.

Overall targets	Target	Actual
	1500	1585
Ward level targets		
Ward No. 1	103	103
Ward No. 2	130	130
Ward No.3	104	102
Ward No.4	104	104
Ward No.5	104	97
Ward No.6	130	129
Ward No.7	26	17
Ward No.8	104	80
Ward No.9	145	140
Ward No.10	63	63
Ward No.11	52	52
Ward No.12	52	50
Ward No.13	52	44
Ward No.14	104	100
Ward No. 15	62	62
Ward No.16	52	51
Ward No. 17	62	62
Ward No. 18	124	124
Ward No. 19	78	75

COMPREHENSIVE RURAL DEVELOPMENT PROGRAMME

In September 2009 the Provincial governments launch Comprehensive Development Programme, which aimed at being an effective response against poverty and food security by maximizing the use and management of natural resources to create vibrant, equitable and sustainable rural communities.

Stakeholder forum was established that is chaired by MMC N C Ndhlovu. The following meetings were held during this financial year

MUNICIPALITY	DATES	VENUE
Mkhondo Local Municipality	12 April 2012	Council Chamber. MLM
Mkhondo Local Municipality	26 April 2012	Council Chamber. MLM
Mkhondo Local Municipality	10 May 2012	Council Chamber. MLM
Mkhondo Local Municipality	29 May 2012	Council Chamber. MLM
Mkhondo Local Municipality	12 June 2012	Council Chamber. MLM
Mkhondo Local Municipality	26 June 2012	Council Chamber. MLM
Mkhondo Local Municipality	12 July 2012	Council Chamber. MLM
Mkhondo Local Municipality	24 July 2012	Council Chamber. MLM
Mkhondo Local Municipality	07 August 2012	Council Chamber. MLM
Mkhondo Local Municipality	28 August 2012	Council Chamber. MLM

Mkhondo Local Municipality	13 September 2012	Council Chamber. MLM
Mkhondo Local Municipality	25 September 2012	Council Chamber. MLM
Mkhondo Local Municipality	09 October 2012	Council Chamber. MLM
Mkhondo Local Municipality	30 October 2012	Council Chamber. MLM
Mkhondo Local Municipality	15 November 2012	Council Chamber. MLM
Mkhondo Local Municipality	29 November 2012	Council Chamber. MLM
Mkhondo Local Municipality	11 December 2012	Council Chamber. MLM
Mkhondo Local Municipality	21 December 2012	Council Chamber. MLM
Mkhondo Local Municipality	15 January 2013	Council Chamber. MLM
Mkhondo Local Municipality	29 January 2013	Council Chamber. MLM
Mkhondo Local Municipality	12 February 2013	Council Chamber. MLM
Mkhondo Local Municipality	28 February 2013	Council Chamber. MLM
Mkhondo Local Municipality	12 March 2013	Council Chamber. MLM
Mkhondo Local Municipality	26 March 2013	Council Chamber. MLM

LED Services - Number of employees

<i>Employees: Planning and Development Services</i>			
<i>Job Level</i>	<i>Number of Posts</i>	<i>Number of Employees</i>	<i>Number of Vacancies</i>
0-3	1	1	0
4-15	6	2	4
Total	7	3	4

PLANNING AND DEVELOPMENT SERVICES

Priority Area	Key Performance Indicator (KPI)	Budget Current Year 2012/13	Baseline Current Year 2012/13	Comparisons			Reasons for Deviation	Steps taken to Improve	Means of Verification	
Strategic Objective				Actual Performance Previous Year 2011/12	Target Current Year 2012/13	Actual Performance Current Year 2012/13				
LOCAL ECONOMIC DEVELOPMENT										
LED / Local Economic Development										
To promote LED	Adopted LED strategy	R150 000	Adopted LED strategy		Project Planning Stakeholder consultation Negotiate for sponsorship	The Strategy was advertised, still waiting for bid committees for appointment of the service provider.	Insufficient budget	We did a budget adjustment	Tender was advertised and all interested companies bided above the budgeted amount	
To support cooperatives and small business development	Training and seminar for Cooperatives with help of SEDA	R300 000	4 Training and register & support coops & small business	No report	Four trainings	Four training were done.	None	None	None	
To promote Tourism	Adopted tourism strategy	R150 000	Adopted tourism strategy	No report	Projects was stop due to insufficient budget	None	Insufficient budget	None		
Integrated Development Plan (IDP)										
To review a 5-year IDP	Co-ordinate implementation of projects in the municipal Area Buy-in from stakeholders and ownership of projects		00	Integrated development planning	Public Participation was conducted. IDP Rep Forum meeting convened. All stakeholders participated during the IDPRF Community inputs factored into the draft Integrated Development Plan	Consultation Rep Forum meetings and printing	Process plan approved by Council and public participation conducted Public Participation was conducted on Spatial Development Framework IDP Rep Forum meeting was held A copy of the Integrated Development Plan was submitted to council and the Office of MEC in June 2013	None	None	IDPRF minutes and MEC comments on IDP

COMPONENT D: ELECTRICITY SERVICES

Introduction

Mkhondo Local Municipality was licensed to distribute electricity in Piet Retief, eThandukukhnaya, Rustplaas, Nkonjaneni and surrounding areas (farms). Other areas within the jurisdiction of the Municipality were licensed to Eskom. The section was responsible for providing and maintaining electricity to all households in its licensed areas, maintaining and upgrading of existing electricity infrastructure including streetlights, high-mast lights, network, substations, and hydro-station.

During the 2012/2013 financial year, the section managed to achieve the following:

- Maintain (service sewer substation, water-works, Brand Substation.
- Maintain main-substation, Kempville , and Municipal Substations

However, it should be noted with great concern that the section was faced with some challenges, namely:

1. Ageing Infrastructure.
2. Vandalism and theft of infrastructure.
3. Illegal connections that included tempering with electricity meters resulting in huge electricity losses.
4. Overloading (main-substation).

- No of pre-pays - 957
- Number of conventional meters – 67
- Number of KVA - 12

Summary of Households with Access to Basic Service Delivery

Electricity - the total number of be 16 270 registered indigents were benefiting while 600 households benefited from new connections. This represents a total of 45% of the total households.

Electricity Service - Service delivery levels (Households)

Description	Actual	2009/10	2010/11	2011/12	2012/13
Number of Households Actual					
Number of Households Actual					
Number of Households Actual					
Number of Households					
Energy: (above minimum level)					
Electricity (at least minimum service level)	63%	66%	67%	69%	
Electricity - Prepaid (minimum service level)					
Sub-Total Households with minimum service level and above					
Percentage Households with minimum service level and above					
Energy (below minimum level)					
Electricity (below minimum service level)					
Electricity - Prepaid (below minimum service level)					

COMPONENT D: PROJECT MANAGEMENT UNIT

Introduction

The goals and objectives of the Project Management Unit (PMU) within Mkhondo Local Municipality is to provide infrastructure targeting the poor, maximizing economic benefit by means of creating employment and to ensure that funds are effectively and efficiently utilized. The municipality can achieve its objectives by focusing on its backlogs as tabled by the Integrated Development Plan (IDP).

Mkhondo Local Municipality is a rural municipality and facing the following challenges:

- Lack of access to clean drinking water, some communities depends on streams and rivers which are often shared with livestock.
- lack of sanitation services such as toilets
- Lack of proper shelter

Ward No /Area / Village	National Project Number	Project Name (Incl. sub- place) Must be the same as in the MIG 1	Registered MIG Funds	Budgeted MIG Funds (2012-2013)
17	MIG/MP0668/W/07/10	Installation of Water Reticulation in eThandukukhanya Ext 6 & 8	R 20 056 052.32	R 16 000 000.00
7	MIG/MP00669/S/07/09	Extension of Piet Retief WWTW	R 37 606 169.90	R 20 000 000.00
1, 2, 3, 4, 5, 6, 8, 9, 10, 15, 17, 18 & 19	MIG/MP1102/S/11/14	Installation of VIP Toilets (Phase 2)	R 45 402 274.08	R 4 000 000.00
1, 2, 8,9, 10, 13, 14,15, 17,18, 19	MIG/MP1088/CL/11/13	Installation of High Mast Lights	R 20 528 372.08	R 4 000 000.00
11 ,12	MIG/MP1101/F/11/14	Fencing of Municipal Infrastructure	R 8 557 966.00	R 2 850 240.00
		PMU Management	R 1 619 800.00	R 2 230 760.00
4	MIG/MP1120/W/12/14	Construction of Driefontein to Iswepe and Haartebeesfontein Water Bulk Line	R 42 745 440.00	R 3 000 000.00
4	MIG/MP1119/W/11/14	Construction of Water Reticulation Network at Iswepe and Haartebeesfontein	R 6 541 183.37	R 7 000 000.00

Total	R 183 057 257.75	R 56 081 000.00
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- Lack of electricity;
- Lack of proper access roads, etc.

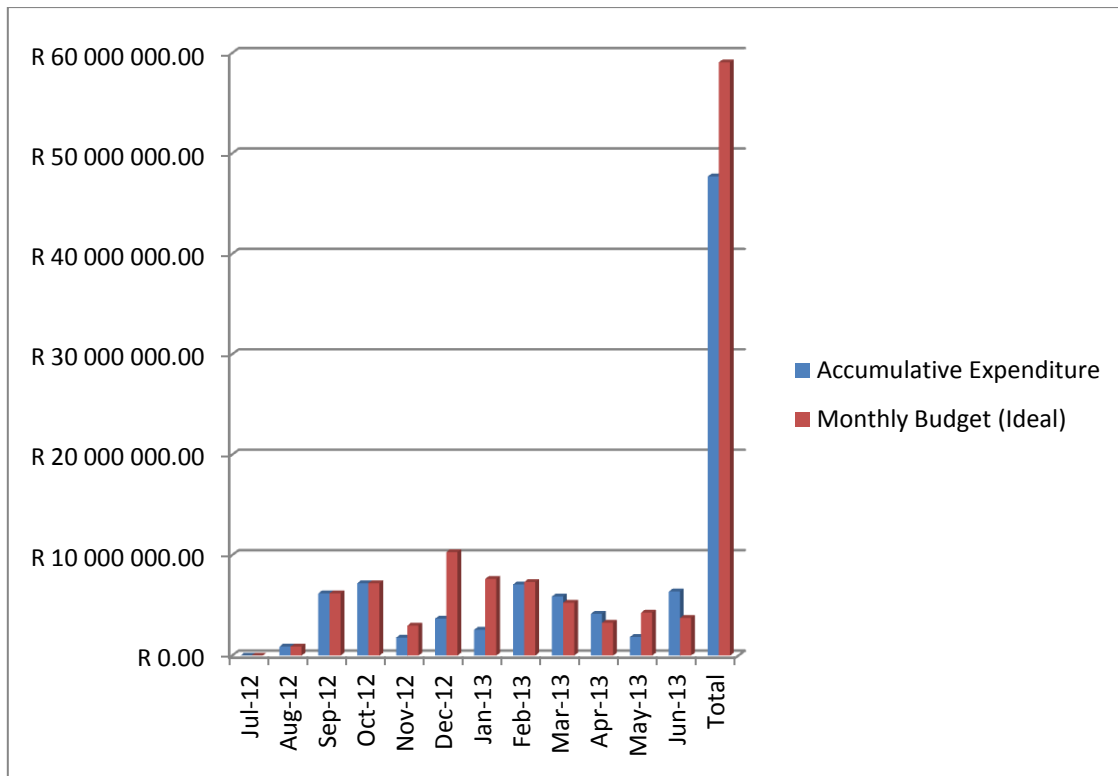
The Municipality was allocated R 59 081 000. 00 for the 2012/13 financial year for the implementation of infrastructure projects within our Municipality.

The following projects were earmarked to be implemented by the Municipality in the 2012/13 financial year: The Municipality received a late approval of the roll over, R 17 700 000.00 which made a total of R 76 781 000. 00. The actual expenditure as at the end of June 2013 was R 47 703 781. 33, which interprets to 81% against R 59 081 000. 00 and 62% against R 76 781 000. 00 of the allocated funding for the Municipality.

ACCUMULATIVE EXPENDITURE v/s CAPITAL BUDGET

Month	Accumulative Expenditure	Monthly Budget (Ideal)	Accumulative Expenditure vs. Monthly Budget
Jul-12	R 0.00	R 0.00	0%
Aug-12	R 889 311.02	R 889 311.02	100%
Sep-12	R 6 192 322.00	R 6 192 322.00	100%
Oct-12	R 7 213 109.80	R 7 213 109.80	100%
Nov-12	R 1 794 693.49	R 2 983 712.69	60%
Dec-12	R 3 676 932.51	R 10 301 079.92	36%
Jan-13	R 2 571 053.95	R 7 635 170.71	34%
Feb-13	R 7 080 778.85	R 7 316 256.62	97%
Mar-13	R 5 892 038.69	R 5 268 853.00	112%
Apr-13	R 4 165 807.35	R 3 268 853.00	127%
May-13	R 1 849 290.92	R 4 268 854.16	43%
Jun-13	R 6 378 442.75	R 3 743 477.08	170%
Total	R 47 703 781.33	R 59 081 000.00	81%

July 2012 – to – June 2013 MIG Expenditure



STATUS QUO

- Installation of Water Reticulation in eThandukukhanya Ext 6 & 8)
 - Construction in progress
 - 643 Households in Ext 8 now have access to clean water
 - Completion date is 29 November 2013
- Installation of VIP Toilets (Phase 2)
 - Project is complete
 - 800 Households benefited in this project
- Extension of Piet Retief Sewer Treatment Plant
 - Project is 80% complete
 - Completion date is 28th February 2014
- Fencing of Municipal Infrastructure
 - Project is complete
 - 1441 Households benefited from the project
- Installation of High Mast Lights (Phase 2)
 - Completion date is 31 October 2013
- Construction of Driefontein to Iswepe and Haartebeesfontein Water Bulk Line

- Project has been handed over to MEGA
- Construction of Water Reticulation Network at Iswepe and Haartebeesfontein
 - Tender Process

EMPLOYMENT GENERATION

Project Name (incl. Sub-Place)	EMPLOYMENT											
	PERSONS						PERSON DAYS					
	Women	Men	Youth (M)	Youth (F)	Disabled (M)	Disabled (F)	Women	Men	Youth (M)	Youth (F)	Disabled (M)	Disabled (F)
Installation of Water Reticulation in eThandukukhanya Ext 6 & 8	12	9	17	23	0	0	1848	1194	2694	3174	0	0
Extension of Piet Retief WWTW	0	3	10	1	0	0	0	213	675	216	0	0
FENCING OF MUNICIPAL INFRASTRUCTURE	1	6	4	5	0	0	15	90	60	75	0	0
INSTALLATION OF VIP TOILETS	18	62	49	125	0	0	270	930	735	1875	0	0

CHALLENGES AND REMEDIAL ACTIONS

The expenditure at the end of the financial year was 62% where else it is supposed to be 100%, this is due to the following reasons:

Challenges	Remedial action
Late appointment of service providers	All service providers must be appointed by 30 September 2013
Late approval of Roll Over	
Resignation of General Manager in January 2013	New General Manager appointed in June 2013

COMPONENT E: COMMUNITY SERVICES

Introduction

This component includes: Waste management, libraries; sports and recreation, parks and gardens.

Waste Management

This Section includes refuse collection, waste disposal, street cleaning.

Environmental and Waste Management were constitutional obligations in terms of Section 24 of the National Environmental Management Act of 2000, and also obliges a Municipality to provide and manage their waste disposal according to certain standards.

The Municipality has two landfill sites. However, the only one that is permitted is at eMkhondo (Piet Retief) and one in Amsterdam which is not permitted.

The present households in the Municipality amount to 29.977, both formal and informal. The number of households receiving waste collection in the Municipality amounts to 19.752. The Municipality was able to provide this service in spite of the limited resources.

Refuse was collected according to a schedule of once a week.

Major success achieved:

- Distribution of skip bins
- Increased the number of household to the refuse services
- Cleaning of the CBD at night
- Employment of EPWP beneficiaries to complement the service

Major challenges include:

- Lack of household dustbins at informal settlements
- No proper access roads to other areas
- Inadequate maintenance of equipment for waste collection
- Inadequate maintenance of the landfill site
- Non availability of funds for the construction of Amsterdam Transfer station
- Uncontrollable illegal dumping spots.

Progress made with waste disposal, street cleaning, and recycling:

- Street Cleaning: 4,2km of streets and main roads were swept daily
- Draft development of the Integrated waste Management Plan
- Recycling: currently no formalized recycling process only monitoring of informal recyclers

Top 3 Service Delivery Priorities and the impact on them during the year:

Waste Management

- Ensured that the refuse removal and street cleaning services were properly operated and managed.
- Ensured that each household or property has refuse bins to be able to render an effective service.
- Minimised illegal dumping and littering
- Ensured that refuse removal service in peri-urban and rural Areas was rendered.

- Reduced land pollution by addressing illegal dumping
- Developed an Integrated Waste Management Plan.

Measures taken to improve performance and the major efficiencies achieved during the year:

- Changing of illegal dumping spots to parks and/gardens.

Identification and response to those communities that were living in poverty and were deficient in this basic

Service:

Increase the number of household to receive refuse removal service.

SUMMARY OF HOUSEHOLDS WITH ACCESS TO BASIC SERVICE DELIVERY

Solid Waste Removal - Total number of Households receiving basic solid waste collection on a weekly basis are 19 752, which is around 75%. This services is also offered to people earning R1,100,00per month.

Priority Area	Key Performance Indicator (KPI)	Budget Current Year 2012/13	Baseline Current Year 2012/13	Comparisons			Reasons for deviation	Steps taken to Improve	Means of Verification
Strategic Objective				Actual Previous Year 2011/12	Target 2012/13	Actual Current Year 2012/13			
KPA 1 : BASIC SERVICE DELIVERY									
Waste Management									
To render refuse removal services weekly	Number of households with access to waste removal services		19 752 households serviced		15000 households per week	Increased refuse collection from 19 752 to 20252 households and serviced eziphunzini and phola park Attended to all complaints and special waste removal	Breakdown of refuse collection vehicles Financial constraints Personnel not adequate	Employment of temporary workers under the EPWP. Hired a service provider to compact waste at the Retief landfill site Hired a service provider to assist with cleaning illegal dumping spots	Reports to Council
To clean main and adjacent streets in business centres daily	Clean streets in business centres		4,2km streets in business centres swept daily	Swept 4,2km of streets in business centres Collected litter daily Appointed temporary workers, but needed more staff for visible and effective cleaning Overcrowding Street Traders was a challenge The streets are cleaned after hours to ensure that the town is maintained cleaned at all times	4,2km streets in business centres swept daily	Swept 4,2km of streets in business centre Collected litter Controlled weed at major town entrances			Reports to council

Priority Area Strategic Objective	Key Performance Indicator (KPI)	Budget Current Year 2012/13	Baseline Current Year 2012/13	Comparisons			Reasons for deviation	Steps taken to improve	Means of Verification
				Actual Previous Year 2011/12	Target 2012/13	Actual Current Year 2012/13			
To increase access to the refuse removal service	Number of household refuse bins and skip bins distributed		19 752 households serviced	Household collection increased from 19 752 to 20 252	20				Reports
To control illegal dumping	Number of sign posts erected; Reduce illegal dumping		20	Removed and monitored several illegal dumps with the assistance of the CWP, EPWP and permanent staff.	20	Removed and monitored several illegal dumps with the assistance of the CWP, EPWP, Phezikomkhono and municipal staff. Conducted environmental education in areas surrounding illegal dumping areas. Attended to complaint of illegal dumping	Illegal dumps increased due to refuse removal trucks that broke down. Only 1 TLB was available for removal of illegal dumping, as well as for digging graves, and cleaning at dumping site,	The CWP, EPWP and phezikomkhono assisted with the clearing of illegal dumps. Conducted environmental education in areas surrounding illegal dumping areas. Attended to complaint of illegal dumping next to skip bins	Reports
	Number of dumping sites maintained		2 dumping sites	Excavated for disposal of waste at Piet Retief landfill site.	2	Maintained 1 dumping sites weekly.	Monitoring of dumping sites was challenging due to continuous broken machinery. Maintained disposal sites partially due to the challenge of broken equipment. Site in Amsterdam not fenced and/or permitted.	Hired a service provider to excavate at the landfill site to make way for the disposal of waste	Reports
Cemeteries and Parks									
To maintain halls, parks, and recreational facilities	Number of halls, parks and recreational facilities maintained		15	Maintained several public facilities, sport grounds and parks. Cut grass, deweeded sidewalks, collected litter, maintained adopted spots and pruned trees. Received and distributed 10 brush cutters to all units. Decorated some open spaces. Removed	15	Cut grass. Cleaned town entrances. Attended to overgrown of grass in public open spaces. Established and improved a flower garden at the civic centre.	Inadequate equipment and trained personnel to use brush cutters, lawn mowers and tractor drawn slashers.	Tree planting remains one of the most cost-effective ways of addressing climate change, as trees and forests play a vital role in regulating climate, since they absorb carbon dioxide.	Reports

Priority Area	Key Performance Indicator (KPI)	Budget Current Year 2012/13	Baseline Current Year 2012/13	Comparisons			Reasons for deviation	Steps taken to Improve	Means of Verification
Strategic Objective				Actual Previous Year 2011/12	Target 2012/13	Actual Current Year 2012/13			
				waste at those areas with assistance of the CWP, EPWP and Phezukomkono Greening of the municipality was aimed at beautification and mitigation of the effects of climate change. Cutting of grass could not be done sufficiently due to dilapidated equipment and shortage of staff					

Waste Management Services - Number of Employees

Waste Management Employees					
Job Level	2011/12	2012/2013			
	Number of Employees	Number of Posts	Number of Employees	Number of Vacancies (fulltime equivalents)	Vacancies (as % of total posts) %
0-3	1	2	2	0	0
4-6	0	1	0	0	0
7-9	1	2	1	2	0
10-12	7	9	7	2	0
12-17	34	54	34	20	0

Waste Management Services -Capital Expenditure

Waste Management: Capital Expenditure 2012/13					
Capital Projects	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value

Forestry

The Municipality is blessed with a forestry plantation comprising of wattle, pine and gum trees covering 215 hectors, which serves as a source of revenue. In the next financial year the municipal council plans to appoint a forester and establish an entity to enhance this natural resource.

The past financial year provided the following yields after three service providers were appointed to do the harvesting and transport the timber for commercial use. The operations started during the month

of April. The scope of work for the contractors was to harvest and to transport timber for sale to different markets. Sawlogs, Pulp, bark and mining timber were the products that were transported to the different timber markets.

The contractors were appointed till the end of June 2013. We have since ceased the harvesting; the only work that is happening is the transportation of timber that is on the ground. The table below shows the summary of the work done.

MONTH	SPECIES	RECEIVED
APRIL	WATTLE/PINE	R1580 294.56
MAY	WATTLE/PINE/GRANDIS	R 3657 802.62
JUNE	WATTLE/PINE/GRANDIS	R 317 2334.43

DESCRIPTION	MARKET	INCOME RECEIVED
PINE, WATTLE AND GUM	TWK	R 8 796 556.4
BARK	NTE	R 917 570.05
CHARCOAL	CHARKA	R 7380.36

CONTRACTOR	NUMBER OF TONS	PAYMENT MADE TO CONTRACTOR
KHALISHWAYO CONTRUCTION		120 851 0.37
WISHES OF A MAN		231 888.76
STHUNZI AGRIC		260 591 4.40

SUMMARY:

INCOME : R 9 335 382.02
 EXPENDITURE: R 4 046 310.53
 REVENUE : R 5 289071.49

COMPONENT F: PUBLIC WORKS, ROADS AND STORMWATER SERVICES

Introduction

The public works section was responsible for maintenance of the existing roads, storm water and pavements in 19 Wards of the Municipality. The maintenance involves activities such as blading, patching of potholes, and construction of concrete water channels, cleaning of storm water catch pitch and pipe sections, resealing of tarred surfaces and re- graveling of gravel surfaced roads. The Municipality has a backlog in terms of upgrading of gravel and paved roads.

The estimated length of the gravel roads was ±600km and most of those gravel roads were not in a good condition, some were bladed and re- gravelled other were eroded due to heavy rainfall. About 70% of the Municipal gravel roads were based in the rural areas of the Municipality. The asphalt paved roads required urgent attention as many were potholed and some even required total rehabilitation.

The main challenge of the section was the unavailability of a road and storm water master plan, that will assist the section in terms of qualification of backlogs, the status of roads and possible solution for challenges. The ageing and old yellow and tip trucks and the absence of other construction equipment was another challenge faced by the section.

3.4.1 Roads and Stormwater Services - Employees

Job Level	2011/12	2012/13			
	Number of Employees	Number of Posts	Number of Employees	Number of Vacancies (fulltime equivalents)	Number of Vacancies (as % of total posts)
0-3	1	1	1	0	0%
4-6	2	3	2	1	20%
7-9	8	12	8	4	33%
10-12	11	27	14	16	59%
13-15	28	51	28	23	45%
16-18	10	14	14	0	0%
19-20	0	0	0	0	0%
Total	50	94	50	44	46%
<i>Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers were as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents were calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</i>					

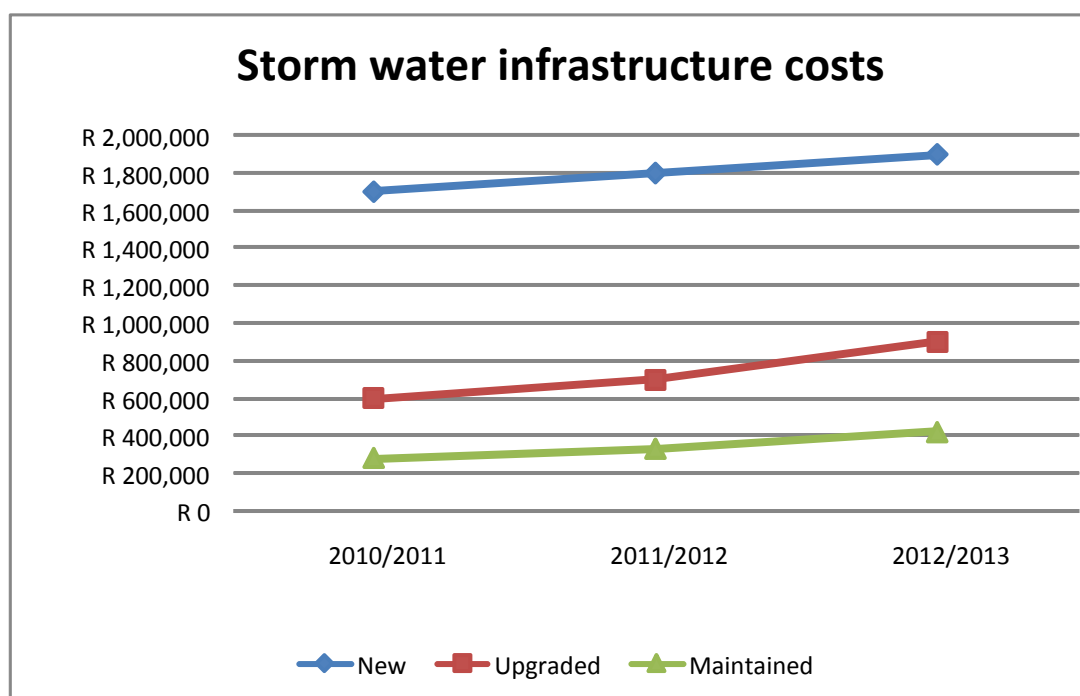
Roads and Stormwater Services - Financial Performance

Details	2011/12	2012/13			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue					
Expenditure:					
Employees	4.382.233	4.282.233			
Repairs and Maintenance	7.189.000	7.189.000			
Other	685.679	670.679			
Total Operational Expenditure	12.256.912	12.141.912			
Net Operational Expenditure					

Stormwater Infrastructure (kilometers)

<i>Year</i>	<i>Total stormwater drainage</i>	<i>New stormwater drainage</i>	<i>Upgraded stormwater drainage</i>	<i>Maintained stormwater drainage</i>
2010/11	145	15	10	100
2011/12	160	20	12	120
2012/13	160	25	14	140

Stormwater Infrastructure Cost



Roads - Cost of Construction/Maintenance

<i>Year</i>	<i>Gravel</i>			<i>Tar</i>		
	<i>New</i>	<i>Gravel/Tar</i>	<i>Maintained</i>	<i>New</i>	<i>Re-worked</i>	<i>Maintained</i>
2010/11	450.000	1.700.000	250.000	1.950.000	1.050.000	400.000
2011/12	475.000	1.800.000	260.000	2.020.000	1.220.000	500.000
2012/13	490.000	1.900.000	280.000	2.300.000	1.300.000	550.000

COMPONENT F: PUBLIC SAFETY, LICENSING, CONTROL OF PUBLIC NUISANCES AND OTHER

Introduction

This component includes: fire; disaster management, licensing, control of animals and public nuisances, etc. however, the management of disaster is a district competence. The Municipal fire and rescue services execute its functions by establishing a local disaster forum and risk assessment within

the Mkhondo municipal area of jurisdiction. Time and again the assessment is reviewed as and when is required to ensure that the identified risks are within the accepted level or not. The control of public nuisance is regulated by means Municipal by-laws and other existing pieces of legislation.

REVENUE PAYOVER TO DEPT OF ROADS AND TRANSPORT FOR FINANCIAL YEAR 2012/13												
DESCRIPTION	JULY		AUGUST		SEPTEMBER		OCTOBER		NOVEMBER		DECEMBER	
	AMOUNT PAID	PAYMENT DATE	AMOUNT PAID	PAYMENT DATE	AMOUNT PAID	PAYMENT DATE	AMOUNT PAID	PAYMENT DATE	AMOUNT PAID	PAYMENT DATE	AMOUNT PAID	PAYMENT DATE
RTMC FEES	30,375.00	14-08-2012	61,308.00	19-09-2012	62,496.00	19-09-2012	62,496.00	18-10-2012	72,540.00	14-12-2012	54,864.00	29-01-2013
Enatis	1,308,049.56	14-08-2012	1,068,392.70	19-09-2012	R 1,140,824.32	19-09-2012	R 1,140,824.32	18-10-2012	1,265,955.36	14-12-2012	R 670,202.96	29-01-2013
Prodiba	8,175.00	19-07-2012	8,625.00	14-08-2012	9,000.00		9,525.00	11-10-2012	9,150.00	21-11-2012	8,325.00	21-12-2012
	5,775.00	03-08-2012	9,825.00	28-08-2012	9,075.00	05-10-2012	7,575.00	18-10-2012	8,775.00	21-11-2012	21,750.00	24-01-2013
	6,300.00	01-08-2012	9,375.00	17-08-2012	10,050.00	19-09-2012	7,125.00	24-10-2012	6,975.00	29-11-2012		
	7,125.00	20-07-2012			8,475.00	05-10-2012	5,400.00	02-11-2012	7,650.00	06-12-2012		
									4,575.00	09-11-2012		
TOTAL	1,365,799.56		1,157,525.70		1,239,920.32		1,232,945.32		1,375,620.36		755,141.96	
REVENUE PAYOVER TO DEPT OF ROADS AND TRANSPORT FOR FINANCIAL YEAR 2012/13												
DESCRIPTION	Jan-13		Feb-13		Mar-13		Apr-13		May-13		Jun-13	
	AMOUNT PAID	PAYMENT DATE	AMOUNT PAID	PAYMENT DATE	AMOUNT PAID	PAYMENT DATE	AMOUNT PAID	PAYMENT DATE	AMOUNT PAID	PAYMENT DATE	AMOUNT PAID	PAYMENT DATE
RTMC FEES	93,060.00	07-02-2013	72,720.00	22-03-2013	64,944.00	19-04-2013	59,976.00	24-05-2013	58,860.00	06-06-2013	44,856.00	18-07-2013
Enatis	1,277,542.32	07-02-2013	1,237,022.60	22-03-2013	R 1,234,503.10	19-04-2013	R 1,181,739.20	24-05-2013	1,312,017.70	06-06-2013	R 1,110,640.92	18-07-2013
Prodiba	8,250.00	07-02-2013	19,875.00	14-02-2013	16,950.00	06-03-2013	14,325.00	19-04-2013	17,400.00	24-05-2013	31,050.00	27-06-2013
			9,450.00	21-01-2013	6,825.00	04-04-2013	12,075.00	19-04-2013			25,950.00	28-06-2013
					13,200.00	22-03-2013	16,200.00	09-05-2013				
					7,950.00	28-03-2013						
TOTAL	1,378,852.32		1,339,067.60		1,344,372.10		1,284,315.20		1,388,277.70		1,212,496.92	

CHAPTER 4

COMPONENT A: ORGANISATIONAL DEVELOPMENT PEERFORMANCE

Introduction

This component includes:

1. Corporate policies, Executive and Council
2. Human resource services
3. ICT services
4. Legal services

COUNCIL AND EXECUTIVE

This component includes: Executive office (mayor, Councillors, and municipal manager).

This component deals with Council support, organizing and management of Council business, rendering necessary support in terms of what Council needs in order to transact its business.

This section also deals with general Administration of all Council business.

Measures taken to improve performance and the major efficiencies achieved during the year

Service Statistics for and performance of the Executive and Council

- Four largest capital projects prioritized
- Variations from budget for net operating and capital expenditure
- Likely variation, if any, to the total approved budget value (arising from 2011/12 and/or previous year actuals, or expected future variations)
- Confirm that the Year 5 Targets set out in the IDP schedule can be attained within approved budget provision, and if not, then state how it was intended to rectify the matter.

COMPONENT B: EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Number of employees

Employees					
Description	2011/12	2012/13			
	Number of Employees	Number of Approved Posts	Number of Employees	Number of Vacancies	Vacancies %
Water	44	57	45	12	21.05%
Waste Water (Sanitation)	13	18	14	4	22.22%
Electricity	40	52	40	12	23.08%
Waste Management	54	95	59	36	37.89%
Housing	2	4	3	1	25.00%
Waste Water (Stormwater Drainage)	2	17	2	15	88.24%
Roads	73	154	73	81	52.60%
Planning	4	14	4	10	71.43%
Local Economic Development		1	0	1	100.00%
Financial Services	46	56	50	6	10.71%
Community & Social Services	79	96	79	17	17.71%
Security and Safety	47	96	50	46	47.92%
Sport and Recreation	1	3	1	2	66.67%
Corporate Policy Offices and Other	38	96	40	56	58.33%
Totals	443	759	460	299	39.39%

Turn-over rate

Turn-over Rate			
Details	Number of Appointments as of beginning of Financial Year	Number of Terminations during the Financial Year	Turn-over Rate*
July 2012/ June 2013	65	37	56.92%
July 2011/ June 2012	108	40	37.04%
July 2010 / June 2011	100	53	53.00%

Vacancy rate

Vacancy Rate 2012/13			
Designations	Total Approved Posts	Variances (Total time that vacancies exist using fulltime equivalents)	Variances (as a proportion of total posts in each category)
Municipal Manager	1	0	0%
Chief Financial Officer	1	0	0%
S56 Managers (excluding Finance Posts)	3	0	0%
Other Section 57 Managers (Finance Posts)	0	0	0%
Fire Fighters	15	7	46.67%
Senior Management (Levels 2 excl Finance Posts)	13	3	23.08%

Senior Management (Levels 2 Finance Posts)	4	0	0%
Highly Skilled Supervision (Levels 4 excl Finance Posts)	15	6	40.00%
Highly Skilled Supervision (Levels 4 Finance Posts)	10	4	40.00%
Total	62	20	32.26%

COMPONENT C: MANAGING THE MUNICIPAL WORKFORCE

Introduction

Note: MSA 2000 S67 requires municipalities to develop and adopt appropriate systems and procedures to ensure fair; efficient; effective; and transparent personnel Administration in accordance with the Employment Equity Act 1998.

Policies

HR Policies and Plans				
	Name of Policy	Completed %	Reviewed %	Date adopted by Council or comment on failure to adopt
1	Affirmative Action	0%	0	
2	Attraction and Retention	0%	0	
3	Code of Conduct for employees	100%		Municipal Systems Act
4	Delegations, Authorisation & Responsibility	100%	0	25/09/2012
5	Disciplinary Code and Procedures	100%	0	Collective Agreement
6	Essential Services	0%	0	
7	Employee Assistance / Wellness	100%	0	December 2012
8	Employment Equity	100%	0	2008
9	Exit Management	0%	0	
10	Grievance Procedures	100%	0	Main Collective Agreement
11	HIV/Aids	100%	0	
12	Human Resource and Development	100%	0	2008
13	Information Technology			
14	Job Evaluation	0%	0	
15	Leave	50%	0	To be approved
16	Occupational Health and Safety	50%	0	To be approved
17	Official Housing	0%	0	
18	Subsistence and Travelling	100%	0	
19	Official transport to attend Funerals	0%	0	
20	Official Working Hours and Overtime	100%	0	
21	Organisational Rights	0%	0	
22	Payroll Deductions	100%	0	BCEA
23	Performance Management and Development			
24	Recruitment, Selection and Appointments	100%	0	2008
25	Remuneration Scales and Allowances	0%	0	
26	Resettlement			
27	Sexual Harassment	0%	0	
28	Skills Development	100%		Skills Development Act
29	Smoking	0%	0	
30	Special Skills	0%		
31	Work Organisation			
32	Uniforms and Protective Clothing	0%	0	
33	Other:			

Injuries, Sickness and Suspensions

Injury and sick leave

Number and Cost of Injuries on Duty					
Type of injury	Injury Leave Taken	Employees using injury leave	Proportion employees using sick leave	Average Injury Leave per employee	Total Estimated Cost
	Days	No.	%	Days	R'000
Required basic medical attention only	0	0	0%	0	0
Temporary total disablement	60	1	0.02%	60	0
Permanent disablement	0	0	0%	0	0
Fatal	0	0	0%	0	0
Total	60	1	0.02%	60	0

Suspensions and cases of misconduct

Performance Rewards

The 2012/13 performance assessments were conducted. The reports still have to go to the Audit Committee for finalisation due to the assessment of 3 managers still being outstanding. The Performance Audit Committee was yet to decide a date upon which these assessments will be finalised. The results will be discussed by the Audit Committee and a due recommendation will be forwarded to Council.

Number and Period of Suspensions				
Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised	Date Finalised
Manager	Assault	April 2012	Finalised	01/2013
Senior Manager	Failure to perform duties to the best of ability	Nil	Finalised	July 2012
Cashier	Fraud	Nil	Taken to Bargaining Council	

COMPONENT D: CAPACITATING THE MUNICIPAL WORKFORCE

Workforce capacity development

MSA 2000 S68(1) requires municipalities to develop their human resource capacity to a level that enables them to perform their functions and exercise their powers in an economical, effective, efficient and accountable way.

Training and development

Skills Matrix														
Management level	Gender	Employees in post as at 30 June 2013	Number of skilled employees required and actual as at 30 June Year 0											
			Learnerships			Skills Programs & other short courses			Other forms of training			Total		
		No.	Actual: End of 2012	Actual: End of 2013	Target 2013	Actual: End of 2012	Actual: End of 2013	Target 2013	Actual: End of 2012	Actual: End of 2013	Target 2013	Actual: End of 2012	Actual: End of 2013	Target 2013
MM and S57	Female	0	0											
	Male	5	0			0	5	5				2	5	5
Councillors, senior officials and managers	Female	18	0			0	2	2				0	2	2
	Male	35	0			0	6	6				0	6	6
Technicians and associate professionals*	Female	1	0			0	3	3				0	3	3
	Male	18	0			0	3	3				0	3	3
Professionals	Female	8	0			0	1	1				0	1	1
	Male	20	0			0	9	9				0	9	9
Sub total	Female	27				0	6	6				0	6	6
	Male	78				0	23	23				2	23	23
Total		105	0	0	0	0	29	29	0	0	0	2	29	29

Financial competency development

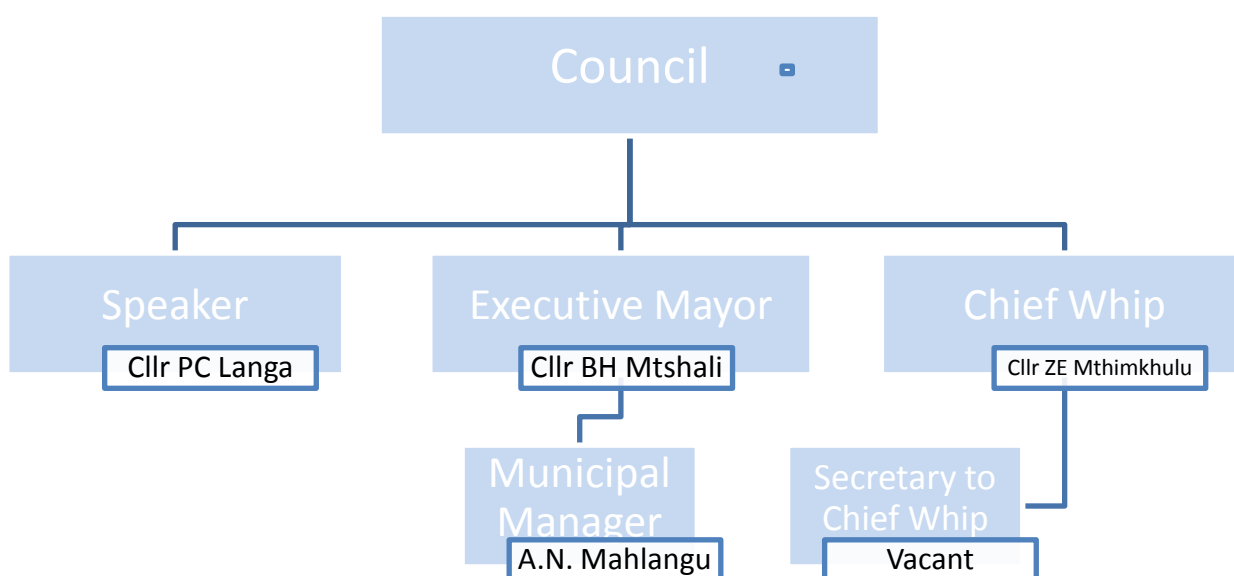
Financial Competency Development: Progress Report*						
Description	A Total number of officials employed by Municipality (Regulation 14(4)(a) and (c))	B Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidated: Total of A and B	Consolidated: Competency assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial Officials						
Accounting officer	1	0	1	1	1	1
Chief financial officer	1	0	1	1	1	1
Senior managers	3	0	3	2	3	2
Any other financial officials	11	0	11	3	0	3
Supply Chain Management Officials	1	0	1	1	0	1
Heads of supply chain management units	0	0	0	0	0	0
Supply chain management senior managers	1	0	1	1	0	1
TOTAL	18	0	18	9	5	9

Reasons for Deviation	Steps taken to Improve	Means of Verification
None	N/A	Customer survey forms.
None	N/A	Summons and founding affidavits.
N/A	N/A	SLA's agreements.
N/A	N/A	Council resolutions.
Promulgation of the by – laws.	Identify a saving on the budget for the purpose of promulgating the by – laws.	Provincial Government Gazette
Budget set aside for capacity building is insufficient.	Lobby for more funds for training and development.	Report
Some positions could not be filled due to budgetary constraints.	Sufficient provision be made on the budget.	Report List of employees appointed
N/A	N/A	Council resolution.
no provision was made on the budget to cater for this expenditure.	Benchmark with other municipalities and request assistance form SALGA/COGTA.	Council resolution.
N/A	N/A	EEA report.
N/A	N/A	Council resolutions
Some meetings did not sit and as result a quorum was affected.	Convene meetings as per the approved schedule of meetings.	Agenda and minutes
N/A	N/A	RegisterRisk section Report to council
N/A	N/A	Report
None	N/A	Report
Due to the financial constraints, no suggestion boxes were procured.	Quotations for suggestion boxes were sourced out. A schedule for consultation was drafted in respect of the by – laws approved by Council during the IDP/Budget 2013/2014 financial year	Report Attendance registers

INSTITUTIONAL DEVELOPMENT & TRANSFORMATION

Mkhondo Council comprises of different political parties with the African National Congress being the ruling party. In terms of Section 41 of the Constitution, the administration and political office bearers participate in the various Intergovernmental Relations Structures ranging from GSDM Municipal Managers Forum, Mayor's Forum, Speaker's Forum, Chief Whip Forum, Technical MunMec, Premier Co-ordination Forum to name but a few.

COMMITTEES OF COUNCIL



SECTION 79 COMMITTEES

(1) FINANCE COMMITTEE

- Cllr. M D Ntuli (Chairperson)
- Cllr. K D Masondo (Member)
- Cllr. RJA Wilson (Member)
- Cllr. Z J Mnisi (Member)
- Cllr. H A Mncube (Member)

(2) CORPORATE SERVICES COMMITTEE

- Cllr. T E Khumalo (Chairperson)
- Cllr. T S Nkosi (Member)
- Cllr. M E Phakathi (Member)
- Cllr. TGF Nhleko (Member)
- Cllr. J L I Brussow (Member)
- Cllr. L V A Mkhwanazi (Member)

(3) TECHNICAL SERVICES COMMITTEE

- Cllr. S P Kunene (Acting Chairperson)
- Cllr. A T Thwala (Member)
- Cllr. N L Nhlengethwa (Member)
- Cllr. H P Sunkel (Member)

-Cllr. S C Mtshali

(4) COMMUNITY SERVICES COMMITTEE

-Cllr. M O Nkosi (Chairperson)

-Cllr. S N Kambule (Member)

-Cllr. B J Vilakazi (Member)

-Cllr. S J Methula (Member)

-Cllr. T E Motha

(5) MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

-Cllr. D M Thwala (Chairperson)

-Cllr. C G Mtshali (Member)

-Cllr. S R Sangweni (Member)

-Cllr. S J Nkosi (Member)

-Cllr. M L Yende (Member)

-Cllr. L V A Mkhwanazi (Member)

-Cllr. R J A Mkhwanazi

(6) RULES AND ETHICS COMMITTEE

-Cllr. Z E Mthimkhulu (Chairperson)

-Cllr. M L Yende (Member)

-Cllr. V W Masuku (Member)

-Cllr. B T Mabuza (Member)

(7) LOCAL GEOGRAPHICAL NAME CHANGES (LGNC)

-Cllr. P C Langa (Chairperson)

-Cllr. S S Mathebula (Member)

-Cllr. T S Nkosi (Member)

-Cllr. M E Phakathi (Member)

-Cllr. H A Mncube (Member)

-Cllr B T Mabuza (Member)

-Cllr T E Motha (Member)

-Cllr S J Nkosi (Member)

ATTENDANCE OF ORDINARY COUNCIL MEETINGS

Meetings	Dates	Present	Absent	% attendance
1	26 September 2012	32	6	84%
2	11 December 2012	34	04	89%
3	25 January 2013	34	04	89%
4	28 February 2013	31	07	81%
5	28 March 2013	33	05	86%
6	30 May 2013	35	03	92%

SPECIAL COUNCIL MEETINGS

Meetings	Dates	Present	Absent	% Percentage
1	11 September 2012	27	11	71%
2	13 December 2012	25	13	65%
3	31 January 2013	34	04	89%
4	12 March 2013	35	03	92%
5	26 April 2013	29	09	76%

MAYORAL COMMITTEE

Meetings	Dates	Present	Absent	% Percentage
1	17 July 2012	3	0	100%
2	19 September 2012	3	0	100%
3	01 November 2012	1	2	33%
4	30 November 2012	2	1	66%
5	17 January 2013	3	0	100%
6	13 March 2013	2	1	66%
7	16 April 2013	3	0	100%
8	29 May 2013	2	1	66%
9	13 June 2013	3	0	100%

SPECIAL MAYORAL COMMITTEE

Meetings	Dates	Present	Absent	% Percentage
1	15 October 2012	03	0	100%
2	03 December 2012	03	0	100%
3	27 June 2013	03	0	100%

GENERAL INFORMATION

Executive Mayor Councillor B H Mtshali Speaker Councillor P C Langa Municipal Manager Mr.A.NMahlangu	Grading of the Municipality 03 Auditors Auditor- General Primary Banker First National Bank
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Chief Financial Officer Mr. T.D Mabuya	Registered office No 33 Mark Street Civic Centre P O Box 23 Piet Retief 2380 Telephone: (017) 826 8100 Fax:(017) 826 3129
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GENERAL MANAGERS AND SENIOR MANAGERS

General Manager Technical Services Mr. K.L Mashile General Manager Community Services Mr. A W Nkonyane General Manger Corporate Serves Mr. M.J Mkhonza	Members of Council Initials & Surname Cllr V D Nkosi Cllr A T Thwala Cllr NC Ndhlovu
Senior Manager Human Resources Ms L Botha Senior Manager ICT Mr D I Mandiwana Senior Manager Auxiliary & Secretariat Services Mr M Thabede Senior Manager Budget and Reporting Mr K Segooa Senior Manager Electrical Mr A Mambane Senior Manager PMU Ms T Phakathi Senior Manager Water and Sanitation Mr M Jele Senior Manager Roads, Stormwater and Cemeteries Mr H Nel Senior Manager Expenditure Ms Z Q Mbatha Senior Manager Revenue Mr E Delpont Senior Manager Communications and Mayoralities M. Shongwe Senior Manager Town planning & Human Settlements Vacant Senior Manager IDP/LED & Tourism Vacant Senior Manager Legal Services Ms. W Mahlangu Senior Manager Internal Audit Mr A Ngcobo Senior Manager Solid Waste and Parks Mr V Dube Senior Manager Amsterdam and Driefontein Mr S Mngomezulu	Cllr NS Kambule Cllr T S Nkosi Cllr SS Mathebula Cllr P S Nhlabathi Cllr J L I Brossow Cllr S P Kunene Cllr N B Msuku Cllr M D Ntuli Cllr ZE Mthimkhulu Cllr L V A Mkhwanazi Cllr S R Sangweni Cllr C G Mtshali Cllr Z J Mnisi Cllr K D Masondo Cllr S J Mngomezulu Cllr RJA Wilson Cllr M O Nkosi Cllr JS Methula Cllr M L Yende Cllr M E Phakathi Cllr D M Thwala Cllr B J Vilakazi Cllr N L Nhlengethwa Cllr S C Mtshali Cllr T E Khumalo Cllr H P Sunkel Cllr T E Motha Cllr V W Masuku Cllr H A Mncube Cllr T G F Nhleko Cllr B T Msuku Cllr S J Nkosi

SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP)

FOR 2012/13 FOURTH QUARTER REPORT

CORPORATE SERVICES

Human Resources

To recruit, capacitate and ensure wellbeing of employees in a safe and sound working environment that promotes sound human relations as well as preventing unnecessary conflict and enhance a healthy relationship between the employer and the employees.

Auxiliary and Secretariat Services

To ensure efficient secretarial services, proper management and operation of municipal buildings

Legal and Archive Services

To provide sound legal advice, land management and proper record keeping

ICT

To ensure effective communication through information technology

Communication and Mayoralty

To inform and educate the public through political and administrative accountability to promote good governance

Town Planning and Human Settlements

To facilitate and control delivery of sustainable human settlements and development

Corporate Services

Strategic Objective	Output Measure	Baseline	Annual Performance Target	Annual Budget	1 st Quarter		2 nd Quarter		3 rd Quarter	
					Output Target	Budget	Output Target	Budget	Output Target	Budget
Municipal Buildings and Facilities	Renovation	All community halls	All community halls renovated	R448 000	3	R48 000	1	R150 000	2	R15, 00
	Compliance of all municipal facilities in terms of signage	Existing signage	Reduced number of clients landing in incorrect offices by providing name boards and signage for offices	R35 000			1	R35 000		
	Furnishing of Halls	7 Halls do not have furniture	All community halls furnished	0	0	0	2	R400 000	2	400 000
Control and Punitive Measures	Effective control and punitive measures	Existing policies and by-laws	Developed and reviewed policies and by-laws 3 By-laws developed	0	0	0	0	0	0	0
Human Resources	Education of employees on Policies	Capacity building for employees	All employees trained on Municipal Policies	0	Councillors	0	Employees	0	None	0
	Management of human resource and capacity building	Training and development	Maximised leadership, individual and organizational capacity in order to deliver quality services to community	R106.000	1	R10 000	3	R50 000	60	201000
	Workplace Skills Plan And Annual Training Report	WSP and ATR submitted for the financial year 2010/11	Submission of WSP and ATR for 2011/12	0	1	0	0	0	0	0
	Signed performance agreements for all managers	Municipality does not have section 57 managers	5 Sections 567Managers	0	0	0	1	0	3	0
	Asses, monitor performance and review quarterly	No performance assessments were done	4 reviews of performance management	Review performance on quarterly basis, conduct midterm review for section 57 managers	1	0	1	0	1	0

Statutory Reporting	Ensure compliance to statutory reporting requirement	Quarterly reports generated	Annual, quarterly reports consolidated, and analysed	1	0	1	0	2	0
Review performance, electronically, manually	Performance reviewed and analysed	1 performance report	Performance report produced on various municipal depts., and on individual managers	0	0	0	0	1	0
Delegations Register	No delegation register	Finalisation of delegation register	0	0	0	1 delegation register adopted by Council	0	0	0
Council Resolution	Circulate Council Resolution to Departmental Heads (quarterly)	4	0	1		1		1	1
Section 79 Committees	Oversight Committee	12 Meetings	0	3 meetings	0	3 meetings	0	1	1
Section 80 Committees	MMC meetings	12 meetings	0	3 meetings	0	3 meetings	0	0	0
Mayoral Committee Meetings	12 meetings	12 meetings	R220 000	3 meetings	R18 000	3 meetings	R18 000	3 meetings	18000
Council meetings	4 Ordinary Council meetings	4 meetings	R000	1 meetings	0	1 meetings	0		
Local Labour Forum meetings	12 LLF meetings	12 meetings	0	3 meetings	0	3 meetings	0	3 meetings	0
Safety Committee meetings	Safety representative appointed	4 meetings	0	1	0	1	0	2 meetings	

	Training Committee meetings	1 Training Committee	4	0	1	0	1	0	0	0
	Employment Equity report	1 EEA report submitted to DoL	1 report	0	0	0	0	0	1	0
	Provision of constructive assistance to every employee who is experiencing any form of personal problem	Existing employee assistance	Established EAP Unit that offers increased productivity, retention of good staff and reduced workplace assistance	R250 000	18	R62 500	20(Employees)	R62 500	0	0
	Achievement of employment equity targets by recruiting and promoting employees in terms of municipal goals	Staff components and recruitment	All critical vacant and funded posts filled in accordance with municipal employment equity targets by filling all vacant positions	R4598	5	R1140.50	6	R1140.50		
Records/Archive	Proper archive system	Document Management system	Centralise all council documents at records office.	0	1	0	1	0	0	0
Rentals of halls	Income received from the community	Income receive from the community	Income of R60 000.	R60 000	6	R15000	6	R15000	6	R15000
Update Lease agreement	Review all lease agreements	Develop a lease registry.	1 Lease registry	0	0	0	0	0		
Disposal of Land	Provision of erven for development	Existing land	Increased number of people officially occupying land by provision of land to community	R0						
KPA 2: Good Governance and Public Participation										

HIV/AIDS Co-ordination	Conducting of campaigns	Number of awareness campaigns for employees and for the community	awareness campaigns for employees and for the community conducted	R250 000	0	0	1	R30 000		
	Promotion of HIV/AIDS testing	Number of persons tested for HIV/AIDS	1000 persons tested for HIV/AIDS		2500		2500			
	Provision of support to affected employees	Number of employees supported	Support provided to all affected employees who disclose their status		Per need		Per need			
	Mobilization of other stakeholders to help in the fight against AIDS	Number of organizations providing support in the fight against AIDS	10 organizations providing support in the fight against AIDS mobilized		2		4			
Cultures, Sport and Recreation	Promotion of sports and culture development in the community and municipality	Number of sports and cultural events organized for the community	1 big sports and 1 big cultural event organized for the community	R150 000		R65 000	1	R65 000		
	Provision of support to sports and culture bodies	Number of sports and culture councils established and supported	5 sports forums and 5 culture forums established (1 in each Administrative Unit)		3		2			
	Mobilisation of other stakeholders and business to support sports	Number of organisations and businesses supporting sports and culture	5 organisations and businesses supporting sports and culture mobilised		2		1			
Disability	Support with programmes for persons with disability	Number of disability groups supported	All disability groups supported	R5000	Identify All	R1250	Support All	R1250		

		Number of meetings to which persons with disability are transported	Transport provided for persons with disability to all meetings organised at District level			Per need		Per need			
		Number of "Day for the Disabled" celebrated	1 "Day for the Disabled" celebrated					1			
Moral Regeneration	Provision of support to the Moral Regeneration Movement	Number of forums supported	2forums supported			5		5			
		Number of AntiCrime, AntiCorruption, AntiDrugAbuse and AntiTeenage Pregnancy campaigns conducted	5 AntiCrime, AntiCorruption, AntiDrugAbuse and AntiTeenage Pregnancy campaigns conducted			1		2			
		Commemoration of the "16 Days of Activism for No Violence Against Women and Children"	Successful commemoration of the "16 Days of Activism for No Violence Against Women and Children"					Event Successfully Celebrated			
IDP	Compile credible IDP	Credible approves IDP2011 - 2016	Review annually IDP	Review annually IDP	Process pal of IDP review compiled	0		Public Participation meetings on IDP review held	0	1 Draft 2012/ 2013	
Proper management of Departmental finance	Manage departmental finance in line with the Budget	Departmental finance managed in line with budget	Sound financial management		Sound financial management			Sound financial management			
LED	To promote LED(funded by DEDET)	Adopted LED strategy	Adopted LED strategy	Funded by DEDET	0	0		Advertising for service provide	0		

							r				
	To promote Tourism	Adopted tourism strategy	Adopted tourism strategy	Funded bu DEDET	0	0	Adverti sing for service provide r	0			
	To support cooperatives and small business development	Signed Service Level Agreement for Business Advisory Office between Mkhondo Municipality and SEDA	Registered and supported coops and small companies	0	Discussi ons with SEDA on Service Level Agreem ent	0	Service Level Agreem ent signed	0			
	To support cooperatives and small business development	Supported cooperatives and small businesses	At least two coops or small businesses supported	R1mil	Selectio n of the coops to be support ed	0	Procure ment of tools for cooper atives	R800 000			
Strategic Objective	Output Measure	Baseline	Annual Performance Target	Annual Budget	1 st Quarter		2 nd Quarter		3 rd Quarter		
					Output Target	Budget	Output Target	Budget	Output Target	Budget	
COMMUNICATION & MAYORALTY											
Communication	Improvement of internal and external Communication	Existing information and communicatio n system	Improved access to information	R 590 000	1 Publica tion, 100 Posters	R85 000	1 Publica tion, 2 Mayora l Izimbiz o, 1K Munici pal Calend ars	R275 000			

	Enhanced media relations	Relations exists	Promotion of access to information	R335 000	1 Media Tour 3 Press Releases	R165 000	3 Press Releases, 2 Live Interviews	R65 000		
			TRANSVERSAL ISSUES							
	Integrated Youth and Women Development	Programmes rolled out	Creation of effective and enabling environment for participation of youth	R 48000	1 Women's Day	R150 000			Number of learners recruited	

Public Access to Information	Improvement of public access to Information	Existing information and communication system	Improved website accessibility by developing the municipal website	0	0	R750 000(MSIG)				

STRATEGIC OBJECTIVE	OUTPUT MEASURE	BASELINE	Annual Performance Target	Annual Target	1 ST Quarter		2 ND Quarter		3 RD Quarter		4 TH Quarter
									Output Target	Budget	Output
ICT	ICT Policy	Approved policy	1	1	0	0	Draft ICT Policy	0	0	0	
	Upgrade of LAN and WAN	Making sure that all users are on the network	All users connected on network	All users connected on network	0	0	0	0	0	0	All connected on network
											We develop

[illegible]

TOWN PLANNING AND HUMAN SETTLEMENTS

Strategic Objective	Output Measure	Project Objective	Key Performance E KPI	Annual Budget	1 st Quarter		2 nd Quarter		3 rd Quarter		4 th Quarter
					Output Target	Budget	Output Target	Budget	Output Target	Budget	
Spatial Planning	Township establishment(Ooslop and Phosa)	Formalization of existing informal settlement	General plans	R2 050 000	Project Planning	R 0	Finalise the planning and advertise tender	R0	0	0	
	Land Audit	To identify vacant erven within urban areas	Report on vacant erven	0	0	0	All residential	0	1		
	Policies	Land alienation Policy, Prevention of land Invasion Policy, Local Spatial Development Framework and Density Policy	Policy document approved and adopted by Council	4 Policies	0	0	1	0	1	0	
	Systems	Approval processes and check lists	Adopted Processes and check lists	1	1	0	1	0			
	Land use Scheme	Formulate wall to wall land use Scheme	New land use scheme approved by Council	Single Scheme for Municipal area	0	0	0	0	0	0	
	Establishment of land use Committee	Land use Management Committee	Approve terms or reference for the Committee	0	0	0	Approved delegation powers of the committee	0			
Human Settlements	Housing Chapter	Finalisation of the housing chapter	Approved housing chapter	0					0	0	
	Implementation of Human Settlements	Completed housing projects	Completed housing projects	0	1	0	2	0	2	0	

CHAPTER 6

Introduction

Audit Report is attached hereto.

MKHONDO LOCAL MUNICIPALITY

THREE-YEAR ROLLING STRATEGIC INTERNAL AUDIT PLAN FOR THE PERIOD ENDING 30 JUNE 2016 AND ONE-YEAR OPERATIONAL PLAN FOR THE PERIOD ENDING 30 JUNE 2014

Business process	Suggested scope	Estimated Beginning of Focus Area	Estimated End of Focus Area	Estimated hours
Fieldwork – Financial and Compliance Audits				
TECHNICAL SERVICES				
Technical services Management	<ul style="list-style-type: none">❑ Roads and Storm Water❑ Project Management Unit (PMU)❑ Water and Sanitation❑ Electrical	July 2013	August 2013	280
Municipal Manager	Governance Processes within the institution <ul style="list-style-type: none">❑ Implementation of Risk management activities❑ Adequately resourced of Risk Management and Internal Audit Function❑ Municipal Leadership to promote Good Corporate Governance principles❑ Audit Committee, Risk Committee, ICT Committee, Remuneration Committee, and other governance committees Effectiveness and its performance❑ Remunerations for Councillors , & Independent Oversight Committees❑ Political Committees establishments and effectiveness❑ Fraud and Corruption❑ Mayoral functioning			